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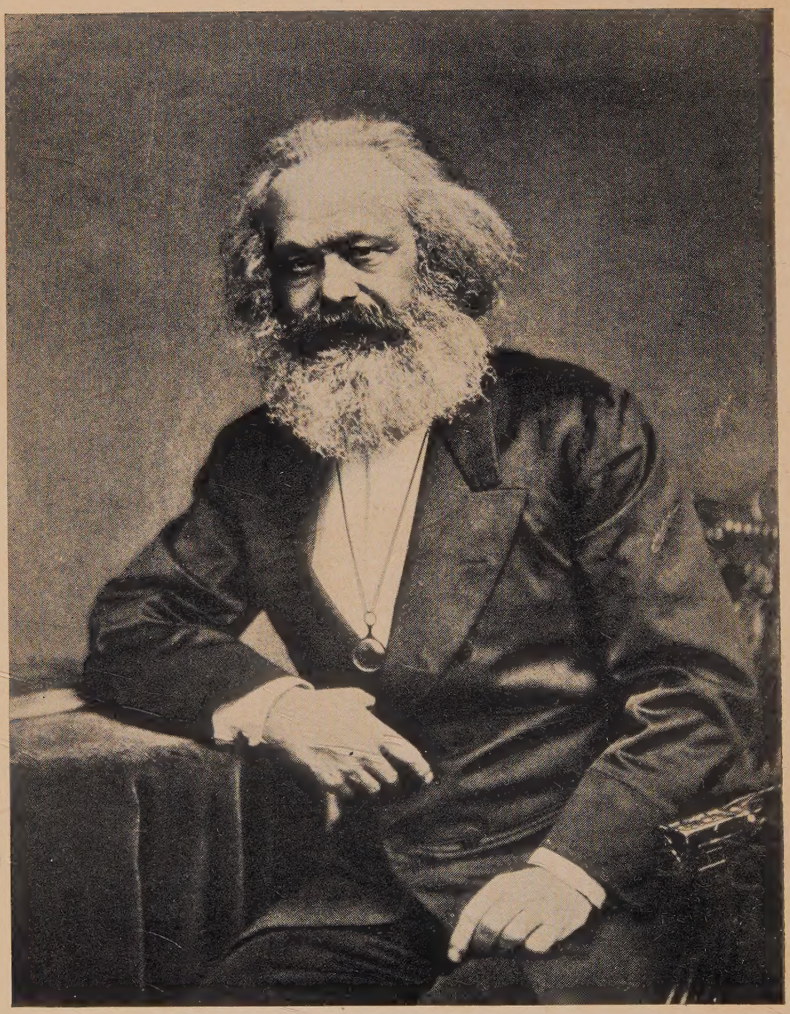

KARL MARX (1818-1883)

A HISTORY OF SOCIALIST THOUGHT

BY

HARRY W. LAIDLER, PH.D.

Executive Director
League for Industrial Democracy

AUTHOR OF

"Socialism in Thought and Action"
"Boycotts and the Labor Struggle," etc.

CROWELL'S SOCIAL SCIENCE SERIES

EDITED BY

SEBA ELDRIDGE
Department of Sociology, University of Kansas

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TO

My Wife

EDITOR'S NOTE

This book presents the history of socialist thought and of movements for its practical application. Major emphasis is given to the period beginning with the rise of so-called scientific socialism, and especially to developments during and since the World War. The various contemporary doctrines and movements are expounded with particular thoroughness and insight. The treatment is based on a thorough examination of the source materials on the history of socialism. By virtue of these and other features the book is easily the best single source of information on this important subject published in the English language.

S. E.

PREFACE

In these days of general "outlines of history," and "stories of philosophy," no apology is needed for essaying the task of presenting, within the pages of one book, a bird's-eye view of socialism from its earliest origins to the present day.

A task of this nature seems particularly fruitful in the realm of socialist thinking both because of the confusion that exists as to the aims and ideals of the various historical schools of socialist thought and because of the very real importance of socialism in the everyday life of the world.

That confusion exists regarding the different brands of socialism is universally acknowledged. The average student of events, asked to explain what socialism is, is all too likely to shrug his shoulders, declare that there are at least "fifty-seven varieties" of socialism, and let the question go at that. He has vaguely heard about the "utopian socialism" of Owen and Saint-Simon, the "state socialism" of Schmoller and Bismarck, the "Christian socialism" of Kingsley and Maurice, the "scientific socialism" of Marx and Engels, the "Fabian socialism" of Shaw and the Webbs, the "revisionism" of Bernstein, the "guild socialism" of Cole and Hobson, the "bolshevism" of Lenin and Trotsky. He has read somewhat, perchance, of the writings of Ramsay MacDonald, H. G. Wells, Karl Kautsky, William Morris, Anatole France and others who represent various aspects of the socialist philosophy. But he has little or no idea as to which schools are spurious, which defunct, which struggling for the mastery; what the difference between the schools are; what, if any, their underlying similarities.

One reason for this confusion undoubtedly lies in the

fact that most writers on socialism have contented themselves with a statement of their particular philosophy and have not attempted to relate their position in any objective fashion to other phases of the thought life of socialism.

This bewilderment would not be serious were it not for the importance of the movement. But here the task of clarification is one of exceeding moment. For socialism, in one form or another, is one of the most potent influences in the political and economic life of the world. Since the World War, moderate socialists have served at intervals as presidents or as premiers of many important countries of Europe—Ebert in Germany, Adler in Austria, MacDonald in Great Britain, Stauning in Denmark, Branting in Sweden among them. Socialists of the left, or, more truly communists, now occupy the chief offices in Soviet Russia, covering one-sixth of the territory of the globe, while in many other countries socialism has become a vital parliamentary force. Outside of practical politics, moreover, the socialist philosophy has had a profound influence on art, on literature, on the drama, on history, on economics, on philosophy and on education.

Under these circumstances it is of more than academic importance that the widely varying schools of socialism should be thoroughly understood by those who desire to serve effectively in the field of public affairs. Such knowledge is, indeed, essential to the understanding of the world in which we live, and, even more, of the world which is gradually evolving under our very eyes. In the United States alone among the great industrialized nations of the world, the socialist philosophy has not as yet been crystallized into an important movement of the masses. Yet even here it has had an influence on social thinking that has not as yet been fully realized, and its development into a potent independent political force may not be far distant.

The present volume is not primarily a history of the organizational life of socialism, but of its thought life. The author is here endeavoring (1) to set forth the main tenets of each important school of socialism; (2) to distinguish these schools one from the other and to note the influence

of each school upon the other; (3) to present to the reader some of the social forces leading to the rise and decline of various tendencies in the movement; (4) to describe some of the more important personalities whose activities have lent color and direction to their respective schools of thought; (5) to present briefly the main events in the progress of the socialist parties in various lands, and (6) to analyze a number of allied movements aiming at social reconstruction which, though not an integral part of socialism, have contributed to its theoretical and practical aspects.

In preparing the book the author has sought to fill the requirements of a text book for college classes and discussion groups, and, at the same time, to meet the needs of the general reader who wants to keep abreast of the social thinking of the time. The present volume is in a real sense a supplementary volume to *Socialism in Thought and Action,* completed by the author in 1920.

The volume was undertaken in part as a study for the League for Industrial Democracy of which the author is one of the Executive Directors, an organization which aims to promote "education for a new social order based on production for use and not for profit." In the preparation of this book, the author has had the continuous encouragement of the members of the Board of Directors of the League, and particularly of the co-Executive Director, Norman Thomas. The author desires here to express his warm appreciation for this encouragement. He is also deeply indebted to Mary R. Sanford for her patient reading and corrections of the manuscript and proof, and to Mrs. Weisenberg and to the office staff of the League for their generous assistance in the preparation of the book. Above all he wishes to acknowledge the many constructive suggestions of Professor Seba Eldridge of the University of Kansas, the editor of the series, whose assistance has added greatly to the value of this volume.

HARRY W. LAIDLER.

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LIST OF ILLUSTRATIONS

Karl Marx (1818–1833) . . . . . *Frontispiece*
Plato (427–347 B.C.) 12
Sir Thomas More (1476–1535) 30
Robert Owen (1771–1840) 108
Friedrich Engels (1820–1895) 156
Sidney Webb (1859–) 236
G. Bernard Shaw (1856–) 260
Ferdinand Lassalle (1825–1864) 280
August Bebel (1840–1913) 288
Eduard Bernstein (1850–) 302
Karl Kautsky (1854–) 336
J. Ramsay MacDonald (1866–) 434
Nicholai Lenin (1870–1924) 456
Leon Trotsky (1877–) 476
Morris Hillquit (1869–) 530
Eugene V. Debs (1855–1926) 572

CONTENTS

Part One

UTOPIAN SOCIALISM AND ITS PRECURSORS

CHAPTER I

PAGE

The Social Prophets 3

Introduction—Ethico-Religious Utopias:—Amos—Hosea—Isaiah—Other Old Testament Prophets—Apocalyptic Writers—Jesus—St. Augustine's City of God—Savonarola—Summary.

CHAPTER II

Plato's Republic 11

Greece at the Time of Plato—A Quest for Justice—Neither Poverty nor Riches—The Guardians—Education—The Rulers—Happiness of All—Communism in Family Relations—The Position of Woman—What Constitutes Justice—Attainment of Ideal State—The Social Significance of the Republic.

CHAPTER III

From Plato to Sir Thomas More 20

The Roman Writers—Influence of the Stoic Philosophy—*Jus Naturale* and *Jus Gentium*—Communism and the Peasants' Revolt—John Wycliffe—John Ball—Faith and Reason—Summary.

CHAPTER IV

More's Utopia 27

Life of Sir Thomas More—Accounts of the New World—The Aim of Utopia—Adventures on Raphael Hythloday—Indictment of English Society—The Evil of Private Property—Utopia Described—Communism in Distribution—Money and Precious Stones—The Homes of the

PAGE

People—Utopia at Meal Time—Government—Restrictive Regulations—Education—The Aim Happiness—Conclusion.

CHAPTER V

BACON'S NEW ATLANTIS 37

The Last Struggle of the Peasants—Communism Loses Cast—Bacon vs. More—Salomon's House—Marriage and Other Relations—A Defect.

CHAPTER VI

GERMAN AND ITALIAN UTOPIAS 42

Andreae's Christianopolis—Communism of Christianopolis—Other Institutions—Campanella's City of the Sun—No Riches or Poverty—The Family—Honoring the Producer—Visual Education—Aristocracy of Learning.

CHAPTER VII

THROUGH THE SEVENTEENTH CENTURY 47

Hobbes and the Social Contract Theory—John Locke and the Labor Theory of Value—Revival of Communism in the Struggle against the Monarchy—The Diggers' Utopia—Harrington's *Oceana*—Industrial vs. Political Control — Democratic Safeguards — Peter Chamberlen Favors Nationalization.

CHAPTER VIII

THE FRENCH UTOPIAN SOCIALISTS 54

A Product of the French Revolution—Disillusionment of the Revolution—The Utopian Socialists Appear.

Babeuf:—A Stormy Life—His Philosophy of Equality—Gradual Nationalization—Further Details—Conclusion.

Cabet:—Cabet's Career—Icaria—Means of Realization.

Saint-Simon:—His Youth—In the French Revolution—Becomes Student and Author—Urges Union of Knowledge and Industry—Peace and Cooperation—Dependence on Persuasion—The New Christianity—Socialist Proposals—Followers of Saint-Simon Deny a Communist Philosophy—The Followers of Saint-Simon—The Sacred College of Apostles—The Schism—Enfantin's Retreat—The Influence of Saint-Simon.

PAGE

Fourier:—Fourier and Saint-Simon—Fourier's Life—Career as Reformer—Fourier's Imaginings—His Law of Attraction—The Phalanx—Distribution of Product—Government—The Family—His Millennium Imminent—Fourier's Contributions—Fourieristic Experiments.

Louis Blanc and His Social Workshops:—Life of Blanc—Development of Personality the Highest Aim—The Social Workshop—Service According to Capacity—Reward According to Needs—Misery the Great Materialistic Force—Government Organizes Sham Workshops.

Proudhon:—Place of Proudhon—His Life—"Liberty, Equality, Fraternity"—Urges a National Bank—His Aim Anarchy—"Property is Theft"—Labor Theory of Value—Favored Private Possession—Are Anarchy and Equality Consistent?—Summary.

CHAPTER IX

THE FORERUNNERS OF ROBERT OWEN 88

Introduction—Controversy Between Natural and Civil Law Continues—Pope, Reconcilor—Edmund Burke—Blackstone and Adam Smith—Wallace, Forerunner of Malthus—Archbishop Paley Gives a Parable—The Industrial Revolution Blackens England—Influence of Locke and Bentham—Spence: Single Taxer—Ogilvie and Doctrine of Land Improvements—Thomas Paine Proposes Inheritance Tax—William Godwin and the Intellectuals—Godwin Attacks Government—Private Property Must Go—"Each According to His Needs"—The Poets Dream of Liberty—Wordsworth—Coleridge and Southey—Charles Hall Analyzes Class Struggle—Economic Causes of War—Colquhoun on "Who Gets England's Wealth?"—Ricardo: Theories of Value and Wages—Shelley—Reaction from French and Industrial Revolution—The London Corresponding Society—Prophets of Coming Revolution—The Destruction of Machinery—Demand for Suffrage—Followers of Spence.

CHAPTER X

ROBERT OWEN 106

The Times of Owen—Owen's Early Life—He Transforms New Lanark—Happiness the Goal of Society—Character is Made for Man—Power of Education—Abundance of Wealth Also Needed—Wants Employment Guaranteed—First Aim Ameliorative—Campaign for Labor Legis-

PAGE

lation—Owen Turns Utopian—"Owen's Parallelograms"—He Attacks Religion—Appeals to Labor to Renounce Bitterness—Labor Notes—Takes Communist Stand—His "New Harmony" Colony—Labor Exchanges—Plan to Combine Trade Unions and Cooperatives—Dream of a New Society—Demand for General Strike—Reaction—Last Days—An Estimate.

CHAPTER XI

UTOPIAN SOCIALISM IN AMERICA 123

Albert Brisbane—Horace Greeley and Fourierism—Greeley on Slavery—Channing and Others—National Organization Formed—The Brook Farm Experiment—Other Experiments—Causes of Failure—Wilhelm Weitling—Dictatorship by Men of Genius—Appeal to Earth's Mighty—Later Life.

CHAPTER XII

THE SIGNIFICANCE OF UTOPIAN SOCIALISM—LATER SOCIAL ANTICIPATIONS 136

Agreement with Other Schools—Their Philosophic Background—Change through Knowledge—Propaganda—Some Defects—Overrated Powers—Lacked Historical Perspective—Differences Among Themselves.

Modern Utopian Writers—Difference Between Old and Modern Writers—Bellamy's "Looking Backward"—Hertzka's "Freeland"—William Morris' "News from Nowhere"—H. G. Wells' "Modern Utopia."

PART TWO

MARXIAN SOCIALISM

CHAPTER XIII

EARLY BEGINNINGS OF MARXIAN SOCIALISM 149

The Advent of Marxian Socialism—Early Life of Karl Marx—Marx's Days at the University—Embraces Hegelian Philosophy—Marx Receives His Doctorate and Turns to Journalism—Marx Studies Economics—Marx Marries: Becomes a Socialist—Maintains Labor Must Save Itself—His Function Criticism, Not Dogma—Beginning of Friendship with Engels—The Germs of Historical Materialism—Forced to Leave France—The Communist Manifesto—History One of Class Struggles.

CHAPTER XIV

PAGE

THE COMMUNIST MANIFESTO AND THE REVOLUTIONS OF 1848 161

Communism the Spectre—Class Struggles—The Revolutionary Rôle of the Capitalists—Capitalist Achievements—Capitalism Develops World Interdependence—Tendency Toward Centralization—The Appearance of a World Market—Increased Power of the Capitalist—Capitalism Develops Industrial Crises—"Seeds of Destruction"—The Development of the Working Class—Disappearance of Middle Class—Organization of Workers—Labor Parties Emerge—Proletarization of Other Classes—Labor the Only Revolutionary Class—Movement of Immense Majority—Increasing Misery of Labor—Capitalists Produce Their Own Grave Diggers—Relation of Communists to Working Class—Answers Charges Against Communists—National Antagonisms Between Peoples Vanishing—The Communist Program—Immediate Demands—Working Class Abolishes Own Supremacy—Criticism of Utopian Socialism—Cooperate with Other Democratic Forces—For Forcible Overthrow—An Estimate of the Manifesto.

The Revolutions of 1848—The Condition of Europe—The February Revolution in France—The Revolution Spreads—The June Defeat—Reaction in Other European Countries—Dissolution of Communist League.

CHAPTER XV

MARX'S CAREER AFTER 1848 180

Invitation to France—Back to Germany—Engel's Change in Tactics—Engels on the Franchise—Barricade Fighting Days Over—Marx Writes on the Revolution—Life in London—The Critique of Political Economy—The Sixties—Marx's Address to the First International—Capital—Law of Capitalist Accumulation—Accumulation of Misery—Capitalism Digging Its Own Grave—Change Less Violent Than Former Revolution—Reception of Capital—Divisions in the International—The Franco-Prussian War and the French Commune—Removal of First International—Transition Different in Different Countries—Marx and the Gotha Program—Marx on Compensation—Marx's Last Days—His Burial—An Appraisal.

CHAPTER XVI

PAGE

THEORETICAL FOUNDATION OF MARXISM—THE ECONOMIC INTERPRETATION OF HISTORY AND CLASS STRUGGLE . . 199

The Meaning of the Term—Predecessors of Marx—Marx's Explanation of Theory—The Economic Not the Only Factor—Spread of Theory.

Class Struggle—Importance of Class Struggles.

Marxian Theory of Value—The Economics of Marxism—Labor Theory of Value—Labor Entering into a Commodity—Socially Necessary Labor—Price—Labor Power—Surplus Value—Profit—Division into Rent, Profit, and Interest—Value of Labor Power—Physical and Social—The Rate of Profit—Wages and the Law of Supply and Demand—Summary.

PART THREE

OTHER SOCIALIST SCHOOLS

1880–1914

CHAPTER XVII

FORERUNNERS OF THE FABIANS—ENGLAND FROM 1848 TO 1880 215

Persistence of Marxian Socialism—The Fabians Appear—Revolutions Predicted—Industry Expands—Engels Describes Development—British Monopoly Breaks Down—Improvement Among Sections of Workers—Revolutionary Spirit Ebbs—Development of Trade Unions—Period of Protective Legislation—Attitude of Employing Class—Growth of Cooperation—Extension of Franchise—Mill and the Economists—Mill Inclines Toward Socialism—Cairns on the Idle Rich—Summary.

CHAPTER XVIII

FABIAN SOCIALISM 229

A Gradual and Peaceful Transition—Difference Between Marxists and Fabians—Marxism in England in the Early Eighties—The Social Democratic Federation—Organization of the Fabians—Naming the Society—The Society's Basis—The Fabian Essays.

Historic Basis of Socialism—Webb on "The Historic Basis of Socialism"—Society Dynamic—Democratic Progress

PAGE

Brings Socialism—Feudalism and the Industrial Revolution—The Democratic Triumph in England—Brutal Reign of Individualism—Advance of State Ownership—Elimination of Personal Element in Business Management—Public Regulation Increases—The Socialist Trend Among Economists.

An Industrial Basis for Socialism—Socialistic Trends in Factory Legislation—Capitalist Loses His Functions as Manager—Rise of Joint Stock Company—Development of Trusts—Capitalist May be Eliminated—Immediate Steps—Public Control Probably First Step—Socialists Cannot Support Step Backward.

Fabians and the Economic Basis of Socialism—The Fabians and Economic Theory—Shaw and Webb on Economic Rent—Private Appropriation of Rent Leads to Injustice—The Proletarian Appears—Exchange Value—Labor Power—Wages—Riches vs. Wealth—What Socialism Involves—Fabians Go Beyond Henry George in Applying Law of Rent to Capital—Labor Exercised on Land and Capital—Capitalist and Landlord.

Moral Basis of Socialism—Individualism and Socialism—Present System Immoral—Effects of Capitalism on Character—Need of Education—Industrial Cooperation an Aid to Social Morality.

The Fabian Forecast of a Socialist Society—Property under Socialism—Problems of Associated Production and Consumption—National and Local Ownership—Industry and Incentives under Socialism—Reasons for the Gold Hunger Under Capitalism—Non-Profit Incentives.

The Fabian Outlook—Principalities Fighting on Side of Socialism—Summary.

Thirty Years After—Neglected Trade Union Movement—Underestimated Cooperative Movement—Importance of Municipal Socialism—Inadequate Concept of Unemployment Solution—The Fabian International Position—The Psychology of Freedom—The Policy of Permeation—Favored Independent Political Action.

CHAPTER XIX

German Social Democracy and Ferdinand Lassalle . 278

Emergence of Socialism in Germany—Restrictive Legislation—The Cooperative Movement—German Political Parties—The Workingmen's Association—Ferdinand Lassalle—Lays Foundation for Labor Party—Workers

PAGE

Must Organize as Producers—Workers' Associations Join Movement—Universal Workingmen's Association Founded—Defends Universal Suffrage and Producers' Associations—Triumphal March—Death of Lassalle—Program of Bebel and Liebknecht—Socialists Secure Parliamentary Representation—Socialist Attitude on Franco-Prussian War—Gotha Congress of 1875—Anti-Socialist Legislation—Bismarck and the State Socialists—The Erfurt Program—Immediate Demands of Social Democrats.

CHAPTER XX

EDUARD BERNSTEIN AND REVISIONISM 295

Opposition of Revisionists—Eduard Bernstein—Main Contentions of Revisionists—Bernstein's Critique of the Economic Interpretation of History—Revisionism and the Theory of Value—Bernstein on Wealth Concentration—Actual Changes Not Deterrent to Socialist Progress—Absorption of Surplus Goods—Industrial Combinations Not Uniform—Bernstein's Critique of Industrial Crises—Will Crises Lead to Economic Collapse?—Credit, Speculation and Crises—Preliminary Political and Social Conditions for Socialism—Conquest of Political Power—Cooperative Enterprises as a Preliminary to Socialism—Democracy and Socialism—Universal Suffrage and Democracy—Dictatorship Antiquated—Socialism a Logical Development from Liberalism — Socialism and Freedom — Immediate Tasks — Violence vs. Legislation—Summary.

CHAPTER XXI

MARXISTS' REPLY TO REVISIONISTS 321

Marxists Reply to Revisionists—Marx and Engels Wrong on Time Element—The Rejoinder of Marxists on the Theory of Value—Marxists and Concentration—The Corporation and Centralization—Boudin on the Disappearance of the Middle Class—Marxists Answer Bernstein on Crises—Reform vs. Revolution—Kautsky on Violence—Democracy and Revolution—Marxists on the Value of Reforms—Boudin and Rubinow on Increasing Misery—Kautsky Depicts the New Order—Program of Socialization—Compensation vs. Confiscation—Kautsky

PAGE

on Incentives—Socialism and Money—Increase of Production—Kautsky on Agriculture Under Socialism—The Small Industry and Socialism—Intellectual Production Under Socialism—Free Unions and Organs of Opinion—Summary.

CHAPTER XXII

SYNDICALISM 348

Struggle of Workers for Right to Organize—The French Cooperative Movement During the Sixties—The French Section of the International—The International and Industrial Workers—Barbaret Organizes Conservative Unions—The Trade Unions Turn Socialist—Jules Guesde Takes Socialist Leadership—Defense of Political Action—Guesdist's Revolutionary Program—Evolutionary Program of Broussists—Other Political Groups—Appeal to Trade Union Unity—The Bourses or Labor Exchanges—First Discussion of General Strike—Guesdists Oppose General Strike—The Bourses—Fernand Pelloutier—The Confederation and the General Strike—Sabotage and Boycotts—Labor Legislation and the Confederation—The Confederation and the Socialists—Millerand Accepts Office—Workers Turn from Political Action.

The Philosophy of Syndicalism—Syndicalism and the Class Struggle—The Syndicat the Germ of Social Organization—Direct Action—The Educative Power of Strikes—Sabotage—The Syndicalist Attitude Toward the State and Politics—Opposition to Democracy—Anti-Patriotic—Reforms Wrested by Direct Action—The General Strike—Structure of Syndicalist Society—The Bourse du Travail—Disappearance of State—The Militant Minority—The Syndicalist and Democracy—The Theorists of Syndicalism—Sorel's Approach to Syndicalism—The General Strike a Social Myth—Sorel on Violence—Sorel and Marx—Other Theorists—Later History of French Syndicalism—Socialists Unite; Syndicalists Discuss Relationship—The 1910 Strike and Aristide Briand—Reasons for Syndicalism in France—Socialist Criticism of Syndicalists—Place for Parliamentary Action—Sabotage and the General Strike Criticised—Socialist Criticism of the Syndicalist Ideal—Influence of Syndicalism.

CHAPTER XXIII

PAGE

GUILD SOCIALISM 393

Formation of the Independent Labor Party—The Labor Representation Committee Formed—The Labor Party Victory of 1906—The Achievements and Failure of the Labor Group (1906–14)—Forces Contributing to Guild Socialism—The Guild Leaders—Guild Propaganda Begins—The Functional Principle Applied to Industry—The Guild Commonwealth—Characteristics of a Guild—Inclusiveness, Responsibility, Monopoly—Democracy in the Guild—Managers and the Guild Regime—Types of Guilds—The Agricultural Guild—Civic and Distributive Guilds—Guild Structure—Inter-Guild Relations—The Guilds and the Community—Independent Crafts—Retention of Right to Strike—Functions of the State or Commune—Power of Taxation—The Civic-Sovereignty Theory—The Guild-Commune Theory—Objections to the State—The Commune—Functions of the Communes—Guild Tactics—Political Action Regarded as Inadequate—Trade Unions Should Reorganize—Encroaching Control—Nationalization—Direct Action and the Guildsmen—Communist Tactics and Guild Socialism—Pay for Industry What It Is Worth—Major Douglas and Credit Control—Prices Keep Ahead of Consuming Power—Douglas' Method of Price Fixing—Producers' Banks—Objections to Douglas Plan—Recent Progress of Guilds Movement—Possible Objections to Guild Socialism—Contribution to General Socialist Thought—MacDonald on the Value of Guild Socialist Propaganda.

PART FOUR

POST-WAR SOCIALIST DEVELOPMENTS

CHAPTER XXIV

RUSSIA TO THE BOLSHEVIK REVOLUTION 441

The Russian Revolutionary Struggle—Russian Students—Reign of Terrorism—Formation of Parties—Contest Between Bolsheviks and Mensheviks—The 1905 Revolution—The Establishment of the Duma—The Soviets Appear—The Duma Meets—Reaction of 1907-1908—The War—The March Revolution—The Czar Abdicates—Russian Political Parties—Appearance of Mensheviks and Bolsheviks—The Bourgeois Groups—The Provi-

PAGE

sional Government—The Rise of the Soviets—Nicholai Lenin—Leon Trotsky—The Kerensky Government—The November Revolution—"All Power to the Soviets."

CHAPTER XXV

PRINCIPLES AND TACTICS OF COMMUNISM—THE COMMUNIST MANIFESTO OF THE THIRD INTERNATIONAL (1919) . . 468

Followers of Marx and Engels—Imperialist War Has Brought Increasing Misery—Finance-Capital is Being Militarized—National State Too Narrow—Bourgeois Democracy Undemocratic—Soviets—The Failure of the Second International—Communist Tactics Elaborated—Revolution by Force—The Class State—Limitations in Control Through Ballot—Reaction of Middle Class Limits Democracy—Capitalist and Proletariat Give Their Views—Communist Technique of Revolution—Ripeness for the Social Revolution—Russia Ready for Revolution—Shattering the State Machine—The Proletarian Dictatorship—The Soviets—Socializing Industry—The "Withering Away" of the State—"To Each According to Needs"—Communism and Marxism.

CHAPTER XXVI

RUSSIA UNDER THE SOVIETS 493

The Soviet Constitution—The Basis of Representation under the Soviet Government—The Supreme Authority—The Commissariats—Period of Workers' Control—Period of Military Communism—The State Trusts—The Syndicate—Trade and Commerce—Domestic Trade—Foreign Trade—Agriculture—Trotsky Summarizes Extent of Socialization—Increase of Productivity—Democratic Management—Trade Unions—Civil Liberties—Education—International Relations—The Second International—The Third International—Summary.

CHAPTER XXVII

SOCIALIST CRITICISM OF COMMUNISM 523

Significance of Russian Revolution—Socialist Objection to Violent Overthrow—Certain Communist Assumptions—Preaching of Violence Poor Strategy—Modern Revolutions Brought About with Little Force—Angell Maintains Force Unsuccessful in Russia—Coercion of Tech-

PAGE

nicians Difficult—A Labor Majority Would Mean Control of Agencies of Government—Wars a Sign of Childhood of Race—Workers Must Perform Undramatic Tasks—In Defense of Democracy—Socialists on Dictatorship—Dictatorship and Bureaucracy—The Soviet vs. the Parliament—Criticism of the Russian Communists—Summary.

CHAPTER XXVIII

OTHER RECENT DEVELOPMENTS 550

The British Labor Party—Recent Developments in England—The French Socialists—The German Revolution—Recent German Developments—In Austria—The Hungarian Soviets—Socialism in Other European Countries; Denmark—Sweden—Norway—The Belgian Labor Party — Holland — Finland — Switzerland — Italy — Poland —Czecho-Slovakia—Esthonia—Latvia—Ireland.

Minor Movements.

In North America—The United States—Canada.

Latin America—Argentina—Mexico—Other South American Countries.

Australia, Africa and Asia—Australia—New Zealand—South Africa—Asia—China—Summary.

CHAPTER XXIX

POST WAR SOCIALIST THOUGHT 580

Webb's Picture of a Socialist Society—Ramsay MacDonald's Industrial Chamber—Laski on Extent of Nationalization, on State and Compensation—Kautsky on Methods of Socialization—The Economic Scheme—Proposal of First German Socialization Commission—Bauer of Austria on Socialization vs. Nationalization—Stroebel's Proposals—Psychological Approach to Socialism—DeMan on Marxian Theories—Simplicity of Marxian Prophecies — Social Inferiority Complex — Psychology and the Class Struggle—Substitutions of New Motives—Origin of Social Inferiority Complex—American Worker Lacks Inferiority Complex—Class and Social Solidarity —Social Inferiority Complex Becomes Spiritual Gain—Goals vs. Motives—The Need for Faith—Hobson on Industrial Incentives—Hillquit on Waste—Tawney on the Functional Society—Wealth and Welfare—Veblen

PAGE

on Financiers vs. Engineers—Thomas on International Organization—From Other Angles—Summary.

PART FIVE

ALLIED MOVEMENTS

CHAPTER XXX

THE CONSUMERS' COOPERATIVE MOVEMENT 619

The Consumers' Viewpoint—The Birth of the Movement—King and the Brighton Pioneers—The Rochdale Experiment—Rochdale Principles—Growth of the Rochdale Store—The Cooperative Union—The Establishment of the Wholesale—Cooperative Factories—Back to the Land—The Cooperators Enter Banking—The Cooperative Insurance Business—Present Extent of Movement—Control—Cooperatives and Political Action—Achievements of Movement.

Cooperation in Continental Europe—Belgium—Germany—Cooperation in Russia—Denmark—Austria—France—Italy—The International Alliance.

In Other Countries—In Asia—The United States—Types of Cooperation—Banking—Insurance—Housing—Agricultural Cooperatives — Consumers' Cooperation vs. Private Capitalism—Cooperation and Socialism—Place for "Compulsory" Consumers' Organizations—Guild Socialists and Cooperators—Syndicalists, Communists and Cooperators—The Place of the Employe in Cooperative Stores—Trade Unions and the Cooperative Movement—Summary.

CHAPTER XXXI

MISCELLANEOUS SOCIALISMS 641

Other Schools of Thought.

Christian Socialism—Varying Schools of Christian Socialists—De Lamennais—The Christian Socialists of England—Maurice and Kingsley—The Belief of Early Christian Socialists—Attack on Manchester School—The Christian Socialists and the Chartists—The Sweated Industries—Birth of Cooperative Workshops—Publication of Christian Socialist. The New Idea—Developing Opposition—Thomas Hughes in the Journal of Association

PAGE

—Movement Wanes—Christian Socialism in Germany and Austria—Later Christian Socialism in England—The Teachings of Jesus and Socialism—Christian Socialism in the United States—Summary.

Socialism of the Chair and State Socialism—The Origin of the Movement—The Professorial Socialists and the State—The Law of Government—Influence on Bismarck—State Socialism—Other Schools.

CHAPTER XXXII

General Summary 678

Index 683

Part I

UTOPIAN SOCIALISM AND ITS PRECURSORS

A HISTORY OF SOCIALIST THOUGHT

CHAPTER I

THE SOCIAL PROPHETS

Introduction.—For thousands of years those in control of political and industrial power in the nations of the world have used that power to oppress the weak. For thousands of years, under every kind of industrial society thus far developed, the great mass of the world's burden bearers have been doomed to lives of poverty and want, while the few have lived in luxury. The few have declared the wars; the many have gone forth to battle and to death. The few have made the laws, have told the many under what conditions they should labor, what rewards they should obtain for that labor, what they should think, what they should believe. Until comparatively recent times, except for occasional rebellions, the many have suffered in silence and obeyed.

And for these thousands of years, prophets and dreamers of the world—some from the heart of the common people, some from the privileged classes of society—have agonized over this tyranny, this oppression, this injustice. They have seen its results in the warped and starved and slavish lives of the multitudes, in the corrupt, the profligate, the arrogant lives of the few. Their hearts have gone out to the people in their suffering, their wrath to the oppressor. They have contrasted the bitter realities of the present with a possible future where justice and

brotherhood in the affairs of men would at last prevail. Some of the prophets have appeared before the rulers of society, calling them to repentance and renunciation. Others have made their appeal primarily to the common people, urging that they secure control of this sorry scheme of things, and transform it into a nobler social order.

Ethico-Religious Utopias[1]**—Amos.**—The prophets who combined their denunciation of the conditions of their times with a picture of what to them appeared to be the state of the future may be grouped among the precursors of the utopians. One of the earliest of these in Old Testament history was Amos, a herdsman of Tekoa, and gatherer of sycamore fruit, born in the eighth century B.C. Amos lived at a time of comparative peace and prosperity, following the victory of Israel over Damascus. Corruption had eaten its way into public life. The privileged classes were thinking merely of their own enjoyment, wrung though it might be from the misery of the poor. To Amos this corruption and profligacy and oppression spelt ruin to his country. As a shepherd tending his sheep on the lonely hillsides, he pondered over the tragedy of it all, and his meditations moved him to interrupt the autumnal feast at Bethel with his warnings.

Amos is credited with showing nothing but scorn for those who "lie upon beds of ivory . . . and eat the lambs out of the flocks; that drink the best wines and anoint themselves with the finest ointments";[2] who, while so doing, take bribes, sell inferior grain, give short weight, and "make the poor of the land to fail" that they "may buy the poor for silver and the needy for a pair of shoes."[3] He maintained, according to the Bible version, that the nation that tolerated these practices would surely die;[4] but that the righteous remnant would be saved and a king-

[1] For a more complete account of the religious utopias, see Hertzler, J. O., *The History of Utopian Thought*, Ch. II.

[2] *Amos*, 6:4-6; some, however, doubt whether Amos made these statements ascribed to him, or whether they were interpolated later. (See George Adam Smith, *Book of the Twelve.*)

[3] *Ibid.*, 8:4-6.

[4] *Ibid.*, 9:8.

dom arise in which the inhabitants would "build the waste cities and inhabit them; . . . plant vineyards, and drink the wine thereof; . . . make gardens, and eat the fruit of them." [5]

Hosea.—A quarter of a century later—and nearer to the downfall of Israel—came Hosea to call attention to the evils of the day, particularly those of the religious oligarchy, and to proclaim a time when Jehovah would "betroth" Israel unto Him in righteousness, in judgment, in loving kindness, in mercies and in faithfulness.[6]

Isaiah.—Hosea was followed by Isaiah, a noble, a courtier, a councillor of Israel for fifty years, a man of strong personality and tremendous power.[7] The vision of Isaiah was far more vivid in its character than that of his predecessors. Like Amos and Hosea he bitterly denounced existing conditions and laid them chiefly at the door of the ruling class. "For ye have eaten up the vineyard," he told them. "The spoil of the poor is in your houses. What mean ye that ye beat my people to pieces, and grind the faces of the poor? saith the Lord of Hosts . . . Woe unto them that join house to house, that join field to field, till there be no place, they may be placed alone in the midst of the earth." [8]

He criticized the hollowness of much of the worship of the day, declared that worship consisted in service, not in the burning of incense, nor in silver and gold, nor in burnt offering of rams.[9] He believed, with Amos, that the doom of the nation was inevitable but with Hosea contended that the very small remnant who had faith would be saved and would help to build the Kingdom of God on earth, a kingdom where justice would be the rule and righteousness the standard.[10] In that kingdom there would be universal peace. Nations would "beat their swords into plowshares and their spears into pruning hooks." "Nation shall not

[5] *Ibid.*, 9:14.
[6] *Hosea*, 2:19-20.
[7] His period of activity was between 740 and 700 B.C.
[8] *Isaiah*, 3:14-15; 5:8; 10:2.
[9] *Ibid.*, 1:11-13.
[10] *Ibid.*, 28:17.

lift up sword against nation, neither shall they learn war any more."[11]

In that kingdom there would be happiness. The people would come "with songs and everlasting joy and gladness" and sorrow and sighing would flee away.[12] Physical suffering would be a thing of the past.[13] There would be knowledge and understanding. "The eyes of them that see shall not be dim, and the ears of them that hear shall hearken. The heart also of the rash shall understand knowledge, and the tongues of the stammerers shall be ready to speak plainly."[14]

Wickedness and hypocrisy would cease. The effect of righteousness would be peace and security.[15] Nature would cooperate with man in making the Kingdom a joyous abode. The wilderness and solitary places would bear fruit. "The desert shall rejoice and blossom like a rose." "The parched land shall become a pool, and the thirsty land springs of water."[16]

Finally, the King (the prophets could scarcely imagine a country without a king) would be a righteous ruler possessing a spirit of wisdom and understanding, of counsel and might, of knowledge and the fear of God—He would protect the weak and crush the oppressor.[17]

Other Old Testament Prophets.—Among the social prophets of the Old Testament one might also mention Jeremiah, Ezekiel and Deutero-Isaiah. Jeremiah, born about 650 B.C., living at a time when Israel was passing through days of adversity, also prophesied the ultimate advent of a promised land in which the people would have abundance of the good things of life, where their bonds would be broken and their sorrows turned into joy; where young and old would rejoice together and a righteous king would dispense justice.[18]

Ezekiel, the prophet of the captivity, who followed Jeremiah, envisaged a utopia where land was distributed

[11] *Ibid.*, 2:4.
[12] *Ibid.*, 35:10.
[13] *Ibid.*, 35:5-6.
[14] *Ibid.*, 32:4-5.
[15] *Ibid.*, 32:17.
[16] *Ibid.*, 35:1, 7.
[17] *Ibid.*, 11:2.
[18] *Jeremiah*, 30:8; 31:12, 13.

equitably among all of the people, both natives and strangers, and ideal princes dispensed justice and abandoned violence. His chief attention, however, was given to the portrayal of an elaborate system of religious ceremonials which he would have his ideal state adopt. The minuteness with which Ezekiel described these ceremonials reminds one of the detailed plans for community living laid down by some of the utopians of the nineteenth century.

Finally came Deutero-Isaiah, little known prophet, with his vision of a perfect society where peace and tranquillity would reign, where fountains would spring up in the midst of the valley, where the wilderness would be made a pool of water; where labor would receive its just reward and where life would be eternal.[19]

On the whole, "the prophets conceived of an earthly kingdom as a political organization inhabited by the select of Israel, governed by an idealized Davidic King, and permeated with the spirit of Jehovah. It was to be the rule of the world by the chosen people after their earthly enemies had been subdued."[20] With Deutero-Isaiah, on the other hand, salvation was extended to individuals of all races.

Apocalyptic Writers.—Extending from 200 B.C. to A.D. 1300, but chiefly concentrated in the first four centuries of that era, came the Apocalyptic writers with their fantastic utopias, some earthly states, some supernatural commonwealths miraculously instituted by divine intervention in earthly affairs.[21] Perhaps the most famous of these was the vision of the New Jerusalem, where dwelt the spirits of the good in a city which had foundations of precious stones, walls of jasper, gates of pearl and streets of pure gold.[22] Few if any of these writers, however, came to grips with the life and struggle of their days in the same measure as did Amos and his fellow prophets.

[19] *Isaiah*, 41:18, 19; 43:19; 51:3; 60:20; 65:23.
[20] Hertzler, *op. cit.*, p. 71.
[21] *Ibid.*, pp. 50-66.
[22] *Revelation*, 21:18-21.

Jesus.—The summit of ethico-religious utopianism is to be found in the teachings of Jesus.[23] Throughout his teachings Jesus foretold the coming of the Kingdom of God on earth. Such a kingdom, he believed, would be brought about as a result of a gradual process of social and spiritual development. It would be both an earthly and a heavenly kingdom.[24] It would be founded on love. It would be free from Mammonism, from hypocrisy, from selfishness and oppression. The inhabitants of that kingdom would be imbued with the spirit of service, self-sacrifice, forgiveness, humility, cosmopolitanism.

St. Augustine's City of God.—Among the remaining ethico-religious theocracies may be mentioned those of St. Augustine (A.D. 354–430) and of Savonarola (1452–1498). St. Augustine, in his *City of God*, written shortly after the barbarian hosts had swept over the Alps and captured Rome, a time of universal religious and political confusion, pictured a future city on earth and in heaven where men would be at peace with their Creator, and where they would do good to all within their reach.[25] His was a utopianism, however, which, "despairing of self, cast all its hope on God."[26] St. Augustine's ideal was a perfect ecclesiastical organization. His concepts were greatly influenced by the political theories and practices of the Middle Ages and his utopia possessed few original elements.

Savonarola.—More than a thousand years after St. Augustine's death, we find Savonarola, foremost preacher of Florence, trying to superimpose a theocratic form of government—his ideal of a perfect state—upon his native city. The corrupt family of the Medicis had been driven out, and the citizens were trying to establish a republic. They were, however, without plan or compass, and their lack of leadership gave encouragement to the reactionary forces who were conspiring to return to power. Confusion and corruption followed. A dominant personality

[23] See Hertzler, *op. cit.*, pp. 66-84.
[24] *John*, 18:36, *Matthew*, 6:10; 7:21; *Luke* 17:21.
[25] Hertzler, *op. cit.*, p. 89; St. Augustine, *City of God*, XIX.
[26] Hertzler, *op. cit.*, p. 90.

with a constructive scheme of government must take the helm. Savonarola assumed the spiritual leadership, introduced a Constitution modeled after that of Venice, and brought before the citizens of his city the concept of a theocracy in which vice would be suppressed, and men would be ruled by Divine precepts. His proposals, expounded before great audiences who crowded the Duomo, met with enthusiastic response. The proposed Constitution was adopted. The whole aspect of the city changed. Women cast aside their jewels and finery. Merchants restored their ill-gotten gains. The churches became the most popular civic institutions. Philanthropy flourished. "Purity, sobriety and justice prevailed in the city, and the Prior of San Marco (Savonarola) was everywhere hailed as the greatest of public benefactors."[27]

The Pope of Rome, reactionary politicians and the populace itself, however, soon tired of the suppression to which they had been subjected, under the rule of this dominant religious leader, and finally put an end to this regime. Savonarola was later seized and burned at the stake, while the vision of his austere reign of righteousness gradually faded from men's eyes. With the death of this Italian preacher and reformer the long line of great ethico-religious utopians came to an end. But the influence of their teachings did not die.

Summary.—Thus we find that, for many centuries, social prophets and dreamers in the religious field brought before their peoples the vision of a better, a more brotherly and equitable earthly abode which the righteous would inherit, as a reward for their loyalty to their God. Generally these ethico-religious utopias, if they may be called such, were far from democratic in conception. It was hard for the prophets to visualize a worldly state without a king. The king, however, was portrayed not as an oppressor, but as a friend and guide to the people, and as a representative of God. Little attention was given in these visions to actual social or economic organization, and they thus differed widely from the accepted types of social utopias.

[27] Crawford, W. H., *Girolamo Savonarola*, p. 163.

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CHAPTER II

PLATO'S REPUBLIC

Greece at the Time of Plato.—Of a nature far different from the ethico-religious utopias of the prophets is the political utopia, *The Republic,* projected by the "broad browed" philosopher of Greece.[1] Plato (427–347 B.C.) lived at a time when his country was passing through a death struggle. The age of Pericles (459–431), the most brilliant period in Grecian history, had just come to a close. In 404 B.C., when Plato was in his early twenties, the Spartans finally won their long struggle against Athens and leveled the long walls of the city to the ground. Then followed the arbitrary though short lived rule of the thirty

[1] The date of Plato's birth is variously given as 430, 428 and 427 B.C., and the place as either Athens or Aegina. He was the son of rich parents and had every educational advantage. For eight years before the death of Socrates, Plato had lived in close intimacy with his master. Following Socrates' death, Plato withdrew to Megara, and thence traveled extensively through Cyrene, Egypt, Italy and Sicily. While in Sicily, an unproved story has it that he was sold by Dionysius in slavery, but subsequently ransomed and returned to Athens.

On his return he pursued an even career as an illustrious philosopher for about forty years. He taught, like Socrates, who greatly influenced his life, chiefly by conversation, and received no fees for his instructions. His reputation was higher than that of any of his contemporary philosophers. His most illustrious pupil and his great rival was Aristotle.

His one attempt to apply his theory of political economy to an existing government was in Sicily after the death of Dionysius. The young Dionysius who succeeded to the throne was weak, and Plato was induced by Dion, Plato's friend and admirer, to visit Syracuse and act as his advisor. The attempt, however, was a complete failure. Dionysius banished Dion, and gave little heed to the advice of Plato. In Athens, Plato also remained aloof from governmental affairs. During the rule of the Thirty, when he was a young man, he was invited by his relatives to take some part in public affairs, but was alienated from public life by the corruption of the rulers and the injustices they heaped upon Socrates.

Tyrants, the re-establishment of the democratic constitution, and, in 399 B.C., the tragic execution of Plato's master, Socrates.

Witnessing both the corruption, extreme license and grave dangers of tyranny, Plato became distrustful of all existing political institutions and of all philosophies which exalted the individual above society. He concluded that that state was most to be desired which embodied "in its laws and institutions the fundamental unity of the moral individual with the socialized state."[2]

He sought to impress his conclusions upon the public mind. To criticize present conditions directly was a dangerous procedure. For this reason, among others, it is declared, Plato resorted to the myth of an ideal republic in which mankind lived a life of supreme happiness.

A Quest for Justice.—*The Republic* begins with a conversation between Plato's revered master, Socrates, and the latter's companions. They are discussing the essentials of justice. Socrates remarks that the nature of justice can best be discovered by finding out what constitutes justice in an ideal state. His companions agree and he starts his journey to the new republic.

Neither Poverty nor Riches.—As Plato's utopia finally unfolds itself during the course of the Socratic dialogue, we begin to see a city-state inhabited by several thousand people, all of whom possess the necessities of life, but none of whom is wealthy. For wealth "produces luxury and idleness and innovation," while poverty leads to "meanness and bad workmanship as well as innovation." Nor can citizens of a state at one and the same time honor wealth and practice temperance.[3] Furthermore, as soon as the people seek luxuries, and "plunge into the unbounded acquisition of wealth," the demand for territory to accommodate new workers increases; the people seek to enlarge their territory at another people's expense, and war inevitably results.

[2] Hertzler, *The History of Utopian Thought*, p. 100.

[3] *The Republic of Plato*, Translated by John L. Davies and David James Vaughan.

PLATO (427-347 B. C.)
(After Raphael)

Plato says, in picturing the simple life which the people of his utopia will lead: "I presume that they will produce corn and wine, and clothes and shoes, and build themselves houses. . . . And they will live, I suppose, on barley and wheat, baking cakes of the meal, and kneading loaves of the flour. And spreading these excellent cakes and loaves upon mats of straw or upon clean leaves, and themselves reclining upon rude beds of yew or myrtle-boughs, they will make merry, themselves and their children, drinking their wine, wearing garlands, and singing the praises of the gods, enjoying one another's society, and not begetting children beyond their means, through a prudent fear of poverty or war." [4]

The Guardians.—In this city-state there are three classes of men and women: (1) the artisans who build the houses, make the clothes and produce the food; (2) the warriors who defend the city against attack; and (3) the guardians, who rule. All are necessary to the happiness of the state, although the guardians—the smallest of these classes—is the most important group. This group, therefore, should be most carefully selected and trained.

Education.—Education of the guardians in the ideal republic should include thorough courses in music and in gymnastics. Supreme importance is attached to a musical education, "because rhythm and harmony sink most deeply into the inner recesses of the soul, and take most powerful hold of it, bringing gracefulness in its train, and making a man graceful if he be nurtured, but if not, the reverse." Such a one will also have "the keenest eye for defects, whether in the failures of art, or the outgrowths of nature; will commend beautiful objects, and gladly receive them into his soul, and feed upon them, and grow to be noble and good; whereas he will rightly censure and hate all repulsive objects, even in his childhood." [5]

The music taught, however, should be censored. Effeminate and convivial songs should be avoided, and an endeavor made to develop in the minds of the pupils a sense of beauty, harmony and proportion.

[4] *Ibid.*, pp. 63-4.

[5] *Ibid.*, pp. 105-6.

In the early stages of their education, prospective guardians should be taught fables, but no fables derogatory to the dignity of the gods, and none which represent the gods as waging war upon one another, or as breaking treaties, or inflicting misfortunes upon men. The stories told should breathe the spirit of truth, courage and self-control.

Gymnastics should be taught with a view, not of gaining strength so much as of stimulating the spirited element in man's nature. The object of all education should be the development of "outward beauty of form" side by side with "moral beauty" of soul.[6]

Nor should any "trace of slavery" be found in the studies of the freeborn man. "In the case of the mind, no study, pursued under compulsion, remains rooted in the memory." Pupils must be trained in their studies "in a playful manner, without any air of constraint, and with the further object of discerning more readily the natural bent of their respective characters."[7]

Later, they are to be taught the mathematical sciences, to help them cultivate the habit of abstract thought, and particularly the contemplation of the idea of good. Those possessing courage, but deficient in their capacity for science, are placed at the age of twenty in the ranks of warriors, and the rest continue their studies, until reaching thirty, during which time they strive particularly to discover the relationship between the various sciences. At thirty, the less promising are assigned to practical political positions. The more promising continue for five years longer "with the art of reasoning and perseverance and application," and from thirty-five to fifty years of age take an active part in the government of the Republic.

The Rulers.—After passing the half-century mark, the most intelligent and powerful of the guardians who have throughout their lives done only those things which they believed to be advantageous to the state,[8] are selected as rulers. Those selected take turns as rulers, filling the highest offices of the state, and then spending the remainder of their time in philosophic studies.

[6] *Ibid.*, p. 106. [7] *Ibid.*, p. 289. [8] *Ibid.*, pp. 120-1.

These rulers should, besides their other qualifications, have a retentive memory, be "quick at learning, lofty minded and graceful, the friend and brother of justice, truth, fortitude and temperance."[9]

"All private property, whether in houses, or lands, or anything else, must be forbidden to our guardians, who receive a maintenance from the rest of the citizens, as the wages of their office." This is essential if they are to be prevented from tearing the city asunder by applying the term 'mine' each to a different object, instead of all to the same, and by dragging to their several distinct abodes whatever they may acquire independently of the rest.[10]

"They should attend common messes and live together as men do in a camp; as for gold and silver, we must tell them that they are in perpetual possession of a divine species of the precious metals placed in their souls by the gods themselves, and therefore have no need of the earthly ore; that in fact it would be profanation to pollute their spiritual riches by mixing them with the possession of mortal gold, because the world's coinage has been the cause of countless impieties, whereas theirs is undefiled; therefore to them, as distinguished from the rest of the people, it is forbidden to handle or touch gold or silver, or enter under the same roof with them, or to wear them on their dresses, or to drink out of the precious metals.

"If they follow these rules, they will be safe themselves and saviors of their city; but whenever they come to possess lands and houses, and money of their own, they will be householders and cultivators instead of guardians, and will become hostile masters of their fellow-citizens rather than their allies; and so they will spend their whole lives, hating and hated, plotting and plotted against, standing in more frequent and intense alarm of their enemies at home than of their enemies abroad; by which time they and the rest of the city will be running on the very brink of ruin."[11]

Happiness of All.—In reply to the accusation that, under such conditions, the guardians would not be happy, Plato

[9] *Ibid.*, p. 220. [10] *Ibid.*, p. 190. [11] *Ibid.*, pp. 126-7.

makes Socrates reply that "our object . . . is not to make any one class pre-eminently happy, but to make the whole state as happy as it can be made."[12] Furthermore, they would have the satisfaction of knowing that their success carried with it the preservation of the state. While living they would receive "crowns and privileges from their country in the shape of maintenance and all that life requires, [for] themselves and their children," and when they died they would be admitted "to an honorable interment."[13]

Communism in Family Relations.—But in addition to communism in property, Plato advanced the startling proposal that the guardians possess their wives in common. "No one," Plato had Socrates declare, "shall have a wife of his own; likewise the children shall be in common and the parent shall not know his child, nor the child the parent."[14]

The reason set forth by Plato for this unique proposal was the need for unity of purpose among the guardians, and the belief that when they rejoiced and grieved together at the same gains and the same losses, they were bound together much more closely. That city would be best conducted in which the largest proportion of its citizens apply the words "mine" and "not mine" simultaneously to the same objects.[15] Guardians would thus look upon every one whom they met as either a brother or sister, a father or mother, a son or daughter, or as a child or parent of such relation.[16]

Moreover, such common ownership, observes Plato through Socrates, would make it possible for the state to develop the science of eugenics, "to bring together the best of both sexes as often as possible, and the worst as seldom as possible"; to abandon the inferior offspring and to prevent irregular alliances.[17] He goes into considerable detail regarding the relations which should be permitted

[12] *Ibid.*, p. 128.
[13] *Ibid.*, p. 192.
[14] *Ibid.*, pp. 179-80.
[15] *Ibid.*, pp. 186-7.
[16] *Ibid.*, p. 188.
[17] *Ibid.*, pp. 179-183.

and those which should be restrained "if the flock is to attain the first class excellence," [18]

The Position of Woman.—In his ideal republic, women occupy a far higher status than they did in Plato's day. Plato contended that woman was the weaker sex, and yet the difference between her abilities and those of man was a difference in degree, not of kind. "As far as the guardianship of the state is concerned," he asserts, "there is no difference between the natures of the man and the woman, but only various degrees of weakness and of strength." [19] It is most desirable for the state that "it should contain the best possible men and women." [20] Both sexes, therefore, should be given the same education, and expected to share in all the duties of the state, military as well as civic, but with the women given the lighter tasks. To free the women from household tasks, the community would rear the children.

What Constitutes Justice.—Under the three-class system of the Republic, each class would perform the work for which it was best fitted.[21] Members born in one class would be promoted or demoted to another class, if their capacities made this shift desirable, but no one who was unfitted for a position in another group should shift from one to another, as such shifting "would inflict great damage on the state." [22] Such a transfer would be an injustice. "On the other hand . . . adherence to their own business on the part of the industrious, the military, and the guardian classes, each of these doing its own work in the state, is justice, and will render the state just." [23]

Attainment of Ideal State.—When asked how the change to his ideal republic would be brought about, Plato intimated that its coming was a long way off: "Unless it happens that philosophers acquire the kingly power in states, or that those who are now called kings and potentates be imbued with a sufficient measure of genuine philosophy, that is to say, unless political power and philos-

[18] *Ibid.*, p. 183.
[19] *Ibid.*, p. 177.
[20] *Ibid.*, p. 178.
[21] *Ibid.*, p. 173.
[22] *Ibid.*, p. 149.
[23] *Ibid.*, p. 149.

ophy be united in the same person, . . . there will be no deliverance." His republic, he declared, "exists in our reasoning, since it is nowhere on earth, at least, as I imagine. But in heaven, probably, there is a model of it."[24]

The Social Significance of the Republic.—Plato thus pictured an aristocratic communism, a dictatorship of philosophic communists. The artisans were to have no share in the government of the city, because they were incapable of becoming philosophers, and hence of directing the state to the highest ends. Nor does Plato propose that his communistic organization should include artisans. Their education would be primarily an education in their craft. Their status would be much the same as in other aristocracies. The warrior and guardian classes responsible for the well-being of the state, however, were to be far more self-sacrificing and selected in a far more scientific manner than in any empire before or since.

In his demand for a balanced education based on a recognition of the more advanced groups, which gives proper regard for the free and harmonious development of the physical, intellectual and moral qualities of men; in his emphasis on equal opportunity for men and women; in his suggestion that only those of marked intelligence and public spirit should be placed in the highest offices of state, and in his condemnation of gross economic inequalities, Plato set up ideals which have been a source of inspiration to later thinkers. And the world is beginning to give serious heed to the problems of eugenics and of the functional organization of society which Plato raised.

On the other hand his fantastic ideas of communism in marital relations and in the rearing of children; his belief that a really beneficent rule by the few could be attained without the check of the many, and his advocacy of the iron control of the state in so many of the intimate relationships of life, indicate a surprising naïveté in so great a philosopher.

Plato's *Republic* indicates the truth of the contention

[24] *Ibid.*, p. 204.

that utopias are built up by the social dreamers out of the warp and woof of the social and economic institutions in which they live. Plato's picture of a future ideal state was inevitably limited by his environment. He could not possibly have envisaged a utopia with railroads, telephones, automobiles, aeroplanes, skyscrapers, steel mills and ten cent stores. The picture he had in mind could never come true in an age like this. Nevertheless, certain great principles of justice and social organization which he enunciated could well be applied, and with revolutionary effect, to our modern social structure.

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CHAPTER III

FROM PLATO TO SIR THOMAS MORE

The Roman Writers.—Nineteen centuries intervened between Plato's *Republic* and the next great utopian work of a political nature—the *Utopia* of Sir Thomas More.

During these centuries, however, there were religious utopians, such as St. Augustine,[1] who portrayed a future religious order on earth or in heaven. There were likewise many social philosophers who condemned "this sorry scheme of things" and who yearned for a reversion to the communism which existed, at least in their imagination, in the "natural state" of primitive society.[2]

Thus philosophers, poets and prophets of Rome in the early centuries of the Christian era, were constantly bemoaning the class conflicts and corruption of their day, and pointing out the virtues of the primitive order of society, in which goods were held in common and covetousness, luxury and poverty were unknown. A typical example is the paean to an idealized past of the poet

[1] See *Supra*, Ch. I.

[2] For a description of the communistic tendencies during this period see M. Beer, *History of British Socialism*, Vol. 1, Chs. I to III.

"There is a span of nearly two thousand years," writes Lewis Mumford (*The Story of Utopias*, p. 59), "between Plato and Sir Thomas More. During that time, in the western world at any rate, utopia seems to disappear beyond the horizon. Plutarch's *Life of Lycurgus* looks back into a mythical past; Cicero's essay on the state is a neglible work; and St. Augustine's *City of God* is chiefly remarkable for a brilliant journalistic attack upon the old order of Rome. . . . Except for these works there is, as far as I can discover, scarcely any other piece of writing which even hints at utopia except as utopia may refer to a dim golden age in the past when all men were virtuous and happy."

Mr. Mumford points out that utopia for the first fifteen hundred years after Christ was transplanted to the skies, and called the Kingdom of Heaven, and was distinctly a utopia of escape.

Virgil, in his celebration of the reign of Saturn, a reign which typified the state of nature:

> No fences parted fields nor marks nor bounds
> Divided acres of litigious grounds,
> But all was common.[3]

Seneca (3 B.C.–A.D. 65) wrote in similar vein in ardent admiration of the communism of the "natural state":

"The social virtues had remained pure and inviolate before covetousness distracted society and introduced poverty, for men ceased to possess all things when they began to call anything their own. The first men and their immediate descendants followed nature, pure and uncorrupt. When, however, vices crept in, kings were obliged to show their authority and enact penal laws. How happy was the primitive age when the bounties of nature lay in common and were used promiscuously; nor had avarice and luxury disunited mortals and made them prey upon one another. They enjoyed all nature in common, which thus gave them secure possession of the public wealth. Why should I not think them the richest of all people, among whom there was not to be found one poor man?"[4]

Similar sentiments are expressed in the writings of Horace, Tacitus, Juvenal, and Josephus.[5]

Influence of the Stoic Philosophy.—This appeal for a return to primitive tribal society was based at least in part on an acceptance of the Stoic philosophy. According to Stoicism, the world was governed by a divine law of equity and goodness. This law was infinitely superior to man-made law, and applied to all human beings, for all men, as inheritors of the divine spirit, were free and equal. In the original society, the divine natural law governed men, but when corruption set in, man enacted his own law. Thus civil law was a debased substitute for the reign of God and nature, and, if social ills were ever to be reme-

[3] Virgil, *Georg.* I, 125-8.
[4] Seneca, *Letters*, 90.
[5] Juvenal, *Satires*, 6 and 13; *Josephus, Antiq. Jud.*, l. 1, c. 2 (3).

died, mankind must abandon civil law and return to nature and a life in harmony with nature.[6]

Jus Naturale and Jus Gentium.—Most of the educated Romans who gave themselves over to philosophic speculations, accepted this philosophy. The Roman lawyers undertook to incorporate it into their legal system as *Jus naturale,* combining with it, however, *Jus gentium,* the law which had developed out of the commercial and international relations of that time. In so doing they greatly diluted the original philosophy. *Jus naturale,* according to these lawyers, was that which nature taught. Nature joined male and female, and taught procreation, and the need of educating one's offspring. It taught that all men were born free. From *Jus naturale* also came the doctrine that the air, water, public and religious edifices were common property. On the other hand, *Jus gentium,* the law of man, legalized private possessions, dominion and servitude, and neutralized much of the teachings of *Jus naturale* and of the Stoics. In the scholastic literature of the time, the doctrine of *Jus naturale* was preserved in full vigor, and was incorporated into the church law.[7]

This doctrine was further strengthened by the discovery of America and the primitive social organization of the aborigines. The romantic description of life in these tribes is due, to a considerable extent, to the acceptance of the concept of the primitive state—the state of nature. It had a far-reaching effect on the theologians of the time,[8] and its influence extended even to the nineteenth century socialists and social reformers of Great Britain.

Communism and the Peasants' Revolt.—The first big crisis in English history in which the philosophy of natural rights and its communist implications played a conspicuous part was the Peasants' Revolt of 1381. New social forces had begun to be felt in England during the reign of Henry II, in the first part of the thirteenth century. By the middle of this century, dozens of towns had come

[6] Maine, *Ancient Law,* ed. 1861, pp. 53-7, 70-2.
[7] See Beer, *op. cit.,* p. 9.
[8] *Ibid.,* Ch. II; see Aquinas, S. Thomas, *Summa,* 1, 2.

into existence all over England, where once there was nothing but farming country. These towns demanded raw material from the country communities. Rural land thus became valuable, and with this increasing value the nobility began to encroach upon the land held in common for pasture and other community purposes.

The peasants at that time "were not propertyless proletarians, but partners of agrarian cooperative associations, imbued with traditions of their ancient liberties and with sentiments of communal life, and looking upon enclosures as private appropriations of what was common, and on the lords as usurpers."[9] And when the revolt broke out they demanded the return of their old charters of liberty and the restoration of their common lands.

Nor were the peasantry without leaders. Poor priests, friars and monks were constantly touring the country expressing their indignation at the state of affairs, many of them preaching the gospel of communism as the ideal state of society. These monks and friars thus helped to form "an alliance of an intellectual proletariat with the dissatisfied laboring masses. From Oxford as the intellectual and spiritual center the light was spread by the friars to the open fields."[10] All of them must have known St. Isidore's definition of natural law:

> They preach of Plato and prove it by Seneca,
> That all things under heaven ought to be in common.

John Wycliffe.—Among these "intellectuals" was John Wycliffe (d. 1384) a "monarchical communist," if such there can be. Wycliffe's social teachings were based directly on the philosophy of *Jus naturale*. In the beginning of society, he contended, there was neither private property nor civil law. Men lived in an age of innocence and communism. After the Fall of man, however, man's moral fiber became weakened, and he required artificial support. God therefore set up a civil government for the purpose

[9] Beer, *op. cit.*, p. 20; Walsingham, *Gesta Abbatum*, III, pp. 306, 308, 311.

[10] *Ibid.*, p. 21; Little, G. A., *Gray Friars of Oxford*, pp. 63-4.

of fostering love among men. The best form of government was government by Judges; where that was impossible, the next best was government by Kings. Civil government was thus of divine origin, although it would never have been instituted had it not been for the sinful nature of man. If combined with communism it would lead to the perfect state.

Communism, Wycliffe held, ought to be the actual state of society. For God grants everything to the righteous and makes them lords of the earth. All men ought to be righteous and thus lords of creation. But multitudes of men can not be heirs to the bounties of the earth unless everything is held in common. Communism is thus God ordained, but man must constantly check his sinfulness if he is "to attain that degree of grace which would render him worthy of receiving the earth as a fief at the hands of the over-lord."[11] He disagreed with the contention of Aristotle that such an order of society would weaken a citizen's loyalty to his commonwealth. On the contrary, it would strengthen his loyalty. For the greater the number of people who have possession, the greater the sum-total of interest in social welfare and the greater the social unity.

Wycliffe's doctrine of the divine origin of the civil law, however, precluded sedition and violent revolt, and he gave no direct aid to the Peasants' Rebellion, though his teachings had a very considerable influence in bringing it about.

John Ball.—A follower of Wycliffe, but a man of a more aggressive type, was John Ball, rebel and communist. Ball too held the theory of the natural state. In the beginning, Ball declared, all men were created equal by nature. Servitude was introduced by the oppressors against the will of God. If God had willed it, He would have created both lord and serf. But

> When Adam delved and Eve span
> Who was then a gentleman?

[11] Beer, *op. cit.*, p. 25; see also Trevelyan, *Age of Wycliffe;* Oman, *Great Revolt of 1381.*

The people should abolish the oppressors. They should fell the lords and all who do injury to the community. When these were gone, all would enjoy freedom.

A sample of Ball's exhortations is handed down by Froissart:

> My good people,—things cannot go well in England, nor ever will, until all goods are held in common, and until there will be neither serfs nor gentlemen, and we shall be equal. For what reason have they, whom we call lords, got the best of us? How did they deserve it? Why do they keep us in bondage? If we all descended from one father and one mother, Adam and Eve, how can they assert or prove that they are more masters than ourselves? Except perhaps that they make us work and produce for them to spend! They are clothed in velvet and in coats garnished with ermine and fur, while we wear coarse linen. They have wine, spices and good bread, while we get rye bread, offal, straw and water. They have residences, handsome manors, and we the trouble and the work, and must brave the rain and the winds in the fields. And it is from us and our labor that they get the means to support their pomp; yet we are called serfs and are promptly beaten if we fail to do their bidding.[12]

Ball took an active part in the Peasant Revolt, and, after the defeat of the insurrection, died on the gallows. Similar communistic sentiments are expressed in the exhortations of Jack Cade and his followers in the Kentish rebellion of 1449.[13]

Thus Shakespeare put into Cade's mouth:

> I have thought upon it; it shall be so. Away, burn all the records of the realm; my mouth shall be the parliament of England. . . . And henceforward all things shall be in common. (Henry VI, Pt. II, Act 4, Scene 7.)

Despite these revolts, expropriation of the peasants proceeded apace. Dispossessed farmers flocked to the cities, and, concurrently with the breaking up of the old farmers' organizations, the guild system of the city was smashed into a thousand bits.

[12] Froissart, *Collection des Chroniques,* VIII, c. 106.

[13] See Tawney, *Agrarian Problem,* 1912; Gonner, *Common Land and Enclosure,* 1912.

Faith and Reason.—In the midst of this chaos in industrial life, the thinkers of the day began a quest for new truths and men began to rely on "knowledge as the regenerator of faith and society." Secular thought began to separate itself from theological dogma. "A rationalist element entered the life of the Christian. . . . Finally, reason was endowed with creative powers; right reason acting through great educators, legislators or king-philosophers could call into being perfect republics, virtuous and happy nations, and correct the fateful effect of the Fall of man." [14]

Summary.—Thus we find that, for centuries from the age of Plato to that of Sir Thomas More, equality and common ownership were urged by philosophers, poets, theological writers and agitators, in the belief that a communistic state of society was the first and "natural state" and that civil law, creating inequality, private ownership and class divisions, had arisen as a debased substitute for the reign of God and nature. We will now consider Sir Thomas More's *Utopia.*

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[14] Beer, *op. cit.*, pp. 31-32.

CHAPTER IV

MORE'S UTOPIA

Life of Sir Thomas More.—In the midst of this social and philosophic ferment, within a generation of the Kentish rebellion, and some fourteen years before the discovery of America, was born the greatest of the utopian writers, the one who coined the term "utopia"—Sir Thomas More (1478–1535). Educated in the household of Archbishop Morton, the counselor of King Henry VII, More, at an early age, gave much attention to Greek literature and philosophy, later working on a dialogue in which he defended Plato's *Republic*. He also assiduously studied the pronouncements of the church fathers. As a young man he delivered lectures on the works of St. Augustine. As lawyer, arbitrator in trade disputes and Lord Chancellor of England, he gained a wealth of knowledge regarding the national and international problems of his age. He was regarded as one of the foremost scholars of his time, and represented, as Lilly puts it, "the highest perfection discernible among the men of the Renaissance."[1]

Accounts of the New World.—As has been stated, More was born just before great explorations began, and during his boyhood he heard countless tales of the lives of the natives of America and of the islands of the sea. Typical of these stories—some of them extremely fanciful—was that of a writer of the times, describing his voyage past the Canary Islands to Cape Verde.

> The people live according to nature, and may be called Epicureans rather than Stoics. . . . Property they have none, but all

[1] Lilly, *Renaissance Types*, p. 309; Erasmus also was in favor of communism. He asks Christians "to regard their goods as common property." Quoted by Roscher, *Geschichte der National-Oekonomie in Deutschland*, p. 42.

things are in common. They live without a king, without any sovereignty, and everyone is his own master. . . . Gold, pearls, jewels and all other such like things, which in this Europe of ours we count riches, they think nothing of, nay, they utterly despise them.[2]

More was greatly influenced by these accounts. He accepted the view that the state of nature was the state of innocence, and this viewpoint he incorporated in all of his writings. He was also influenced by the rising rationalism of the times, and came to feel that from learning the young "ought to derive the most sublime lessons—piety toward God, benevolence toward men, modesty of heart and Christian humility." However, to the fear of God he gave a more commanding place than to reason and philosophy.

The Aim of Utopia.—More saw the old England casting off its feudalistic bonds and becoming a nation of merchants; changing from a rural to a money economy and from state regulation of labor and industrial activities to individual enterprise. He began to feel that an effort should be made to apply to this changing social organism the ethics and politics of the church fathers and the growing philosophy of Humanism, which enthroned reason with creative powers. His *Utopia* was written in pursuance of this conviction. More agreed with the early church fathers in their communist principles. His approach to communism, however, was different from theirs. The church fathers and the schoolmen favored communism as a logical application of abstract morality or of Scriptural teachings to society. More analyzed the defects of the industrial system as he saw it and concluded that social reform of a communistic type must be applied.

Adventures of Raphael Hythloday.—In presenting his vivid word picture of the world of his imagination, More introduces to us a sailor and Portuguese scholar, learned in Greek, Raphael Hythloday by name. Hythloday has left his family possessions and his kinsmen and has gone forth with Amerigo Vespucci in search of high adventure.

And in this adventure he comes across the island of

[2] Lupton, J. H., Introduction to his edition of *Utopia*, p. xxxviii.

Utopia (meaning Nowhere). His experience leads him to describe the wonderful advances which the people of Utopia have made over the English way of living, and, by contrast, to condemn the many social injustices of the England of that day—injustices which appear doubly black against the white background of Utopia. This indictment is set forth in the first book of *Utopia.*

Indictment of English Society.—More, through the mouth of his spokesman, Hythloday, attacked the princes of his country who spent more time in studying how to enlarge their kingdoms by fair or foul means than how peacefully to rule.[3] He condemned the horrible punishments meted out to petty thieves, poor victims of circumstances, who were denied an opportunity to earn an honest living, and driven "first to steal and then to die." He denounced the spendthrifts who performed no useful work, but who carried around with them a "great flock of idle and loitering servingmen,"[4] and abounded "in wealth and pleasure, when all about them were moaning and groaning." For this condition made the privileged one not a king but "a jailor." More protested against the maintenance of a large army, which must needs embroil the country in war, in order that the nation might continue to have "practiced soldiers and cunning manslayers," whose hands and minds might not wax dull through idleness and lack of exercise.[5] He also bemoaned the increase in the lands given over to the raising of cattle, the tragic condition of the tenantry and the "corners" in cattle.

The Evil of Private Property.—Finally he attacked the institution of private property itself. "Where possessions be private . . . it is hard and almost impossible that there the commonwealth will be justly governed and prosperously flourish. Unless you think thus: that justice is there executed, where all things come into the hands of evil men, or that prosperity there flourisheth, where all is

[3] Sir Thomas More, *Utopia and the Dialogue of Comfort* (N. Y.: E. P. Dutton & Co.), p. 19. The references to More's *Utopia* are from this edition.

[4] *Ibid.*, p. 22.

[5] *Ibid.*, pp. 22-3.

divided among a few; which few nevertheless do not lead their lives very wealthily, and the residue live miserably, wretched and beggarly. . . . And for the most part it chanceth that the latter sort is more worthy to enjoy that state of wealth, than the other be: because the rich men be covetous, crafty and unprofitable. On the other part, the poor be lowly, simple, and by their daily labor more profitable to the commonwealth than to themselves. Thus I do fully persuade myself that no equal and just distribution of things can be made, nor that perfect wealth shall ever be among men, unless this property be exiled and banished. But so long as it doth continue, so long shall remain among the most and best of men the heavy and inevitable burden of poverty."[6]

Utopia Described.—In Book II the sunburnt traveler describes his land of Nowhere. It is two miles broad, shaped like a crescent, and is thus the better able to defend itself. It consists of fifty-four cities, some of which are within twenty-four miles distance of another, and some separated by more than a day's walk. The chief city, Amaurot, is in the center. This the Portuguese scholar describes.

The basis of industry in this city-state is agricultural. Every citizen must be acquainted with this art, and must spend at least part of his time in one of the great farm houses scattered throughout the country, each of which holds no less than forty men and women. Most of the workers divide their time between town and country, so that they may know both the trades and farming, and during the harvesting season thousands of extra hands are drafted from the city to aid in gathering the grain and other products of the soil. The amount of agricultural products needed by the city is nicely calculated in advance, and the citizens are allocated to farm work in proportion to these needs. Every person in Utopia has "a peculiar trade to which he applies himself, such as the manufacture of wool or flax, masonry, smith's work or carpenter's work," and no trade is held in any special esteem.

[6] *Ibid.*, pp. 43-4.

SIR THOMAS MORE (1478-1535)

(After Holbein)

Eight hours are appointed for rest and six for work. The remainder of the day is put to the discretion of the citizens. The six-hour day without the use of improved machinery is possible because every one does his share of useful work, and idleness is not permitted, neither among rich men, princes nor beggars. The surplus labor—if there be any—is used to repair the highways. When all such work is completed, the hours of labor are lessened.

Communism in Distribution.—Between city and country there is a monthly exchange of goods at festival time. And in the distribution of goods among the citizens a pure communism exists. Every month or so a representative of each family takes the goods that his family has manufactured to one of the four great public markets situated in different parts of the city. These goods in turn are carried to warehouses, and each commodity is placed by itself. "From hence the father of every family fetches whatever he and his have need of, and carries it away with him without money, without exchange. . . . For why should anything be denied unto him? Seeing that there is abundance of all things, and that it is not to be feared, lest any man will ask more than he needeth. For why should it be thought that that man should ask more than enough, which is sure never to lack? Certainly in all kinds of living creatures either fear or lack doth cause covetousness and ravine, or in man only pride, which counteth it a glorious thing to pass and excel other in the superfluous and vain ostentation of things.

"And though no man hath anything, yet every man is rich. For what can be more rich than to live joyfully and merely, without all grief and pensiveness: not caring for his own living, nor vexed nor troubled with his wife's importunate complaints, nor dreading poverty to his son, nor sorrowing for his daughter's dowry?"

Money and Precious Stones.—It naturally follows that money is not needed, and the hoarding of gold and silver, which has led to such great evils in other parts of the world, is forbidden. In fact the utopians take special pains to bring these metals as well as precious stones into

disrepute. They use them for the commonest of utensils and make chains of them for the slaves. When the children grow up, they are taught to throw them away as useless. This strange custom in the nature of the case has led to curious results when foreigners venture to the city. Thus, when certain Ambassadors from a certain strange country once visited Utopia, they bedecked themselves with costly jewels and rich raiment, and went to see the officials. On their way, they bowed low and reverently to the vilest citizens of Utopia who were also adorned with gold decorations, but as badges of disgrace, and passed by the chief citizens—all plainly dressed—without so much as a nod. "Yea," observed Hythloday, "you should have seen the children that had cast away their own pearls and precious stones when they saw the like sticking upon the Ambassadors' caps, dig and push their mothers under the sides, saying thus to them: 'Look, mother, how great a lubber doth yet wear pearls and precious stones, as though he were a little child still.' But the mother, yea and that also in good earnest: 'Peace, son,' saith she: 'I think he be one of the Ambassador's fools.' "[7]

The people of Utopia are, moreover, continually marvelling how it came to pass that such a worthless thing as gold should be so high in the estimation of the people of other countries, "insomuch that a lumpish, block-headed churl, who hath no more wit than an ass, nay, and as full of naughtiness as of folly, shall have nevertheless many wise and good men in subjection and bondage, only for this, because he hath a great heap of gold."[8]

They especially detest those who give almost divine honors to the rich merely because of their riches.

The Homes of the People.—The streets of Utopia are "commodious and handsome." The houses are "of fair and gorgeous building," never locked nor bolted, so easy to be opened, that they will follow the least drawing of a finger, and shut again alone. Whoso will may go in, for there is nothing in the houses that is private, or any man's own. And every tenth year they change their houses by

[7] *Ibid.*, pp. 69-70.

[8] *Ibid.*, p. 70.

lot. "They set great store by their gardens. In them they have vineyards, all manner of fruit, herbs, and flowers, so pleasant, so well furnished, and so finely kept, that I never saw thing more fruitful, nor better trimmed, in any place." Each block competes against the other for beauty of gardens, "and verily you shall not find in any city anything that is more commodious, either for the profit of its citizens, or for pleasure."[9]

Families live in separate houses, but have common eating halls, presided over by magistrates, each of the halls utilized by some thirty families of from 10 to 16 persons each.

Utopia at Meal Time.—At dinner and supper a trumpeter calls all families to their respective halls, which are provided with nurseries so that the mothers may not be inconvenienced during meal time. The block stewards order the provisions from the common market at specified hours during the day, and the women aid in the preparation of the meal. They begin each dinner and supper by reading a short essay pertaining "to good manners and virtue."

The midday meal is informal. At the evening meal, however, music is provided, perfumes are burnt, and nothing is left undone "that maketh for the cheering of the company."[10]

Of course people are permitted, if they so desire, to eat alone in their own homes, but no one does this willingly, "as it were a folly to take the pains to prepare a bad dinner at home, when they may be welcome to good and fine fare so near at hand at the hall."[11]

Government.—Each citizen is given a voice in the government. Every thirty families in the city elect a magistrate or Philarch. Each ten magistrates choose an Archphilarch, while the latter elect a Prince for life or until he is suspected of enslaving the people. But a matter of great importance is sent to the Philarchs who, after they have communicated it to the families that belong to their divisions, and have considered it among themselves, make a

[9] *Ibid.*, p. 53. [10] *Ibid.*, p. 64. [11] *Ibid.*, p. 63.

report to the council, and upon great occasions the question at issue is referred to the council of the whole island. "The chief and almost the only office of the Philarchs is to see and take heed that no man sits idle: but that every one apply his own craft with earnest diligence and yet for all that not be wearied from early in the morning to late in the evening, with continual work, like laboring and toiling beasts, for this is worse than the miserable and wretched condition of bondmen."[12]

Restrictive Regulations.—Many of the regulations observed in Utopia would seem indeed harsh to modern times. Any inhabitant desiring to visit the rest of the country must obtain a passport, and, if he tarries in any one place longer than a night, he must follow his occupation, while he who goes out of the city without leave is punished as a fugitive. Those who commit serious crimes are sentenced to a condition of slavery, and they it is who do the hard and disagreeable tasks of the community. Thus More solves the problem of "Who will do the dirty work?"

Education.—The education of the children in Utopia is of a practical nature. They devote themselves to exact sciences, such as arithmetic and geometry, are given turns at learning agriculture. They are allowed to select their own trade. Children of marked ability are excused from labor in order that they may devote themselves to their studies. All are encouraged throughout life to spend their time in profitable reading.

The Aim Happiness.—The aim of Utopia is the greatest happiness to the greatest number. The utopians believe that God has ordained happiness for mankind, and that if man follows nature he will be led to pleasures which have the approval both of his reason and his senses. He should be careful, however, that the lesser pleasure shall not interfere with the greater, and should realize that nothing is genuine pleasure which wrongs another or which brings in its wake displeasure, grief and sorrow. It should be one's pleasure to serve the commonwealth and to help others secure happiness.[13]

[12] *Ibid.*, p. 56.

[13] *Ibid.*, pp. 73-5.

Furthermore, man should beware of the counterfeit pleasures which come from wearing a fine gown or precious stones, or from receiving vain and unprofitable honors. "For what natural or true pleasure dost thou take in another man's bare head, or bowed knees? Will this ease the pain of thy knees, or remedy the frenzy of thy head?" Likewise the vainglory of ancestry, the exhilaration which comes from hunting poor, helpless beasts or from playing dice is but sham pleasure. The contemplation of the truth, the study of art and literature, the enjoyment of good health, and rest and moderate eating and drinking are among the legitimate pleasures.

Conclusion.—While many of More's suggestions were fantastic and impossible of application, throughout he strove to hold before men a commonwealth which honored its citizens neither for their wealth nor for their rapaciousness nor for their pride of ancestry, but for their service to society, which directed the attention of the people to useful work and to pleasures that developed body, mind and soul; a commonwealth where neither idleness nor burdensome toil, neither poverty nor superfluous riches existed, but where the end was the good and happy life.

More's purpose in writing *Utopia* was probably a double one. He wished to emphasize certain principles of industrial organization which he felt that society should ultimately adopt. He desired at one and the same time to effect a number of immediate labor, agrarian, sanitary, penal, educational and religious reforms. And he undoubtedly felt that Raphael Hythloday, the sunburnt sailor and scholar visiting an unknown land, could by indirection call to the attention of English royalty and statesmanship the need of these reforms more effectively and more safely than could Sir Thomas More, the politician and critic, by direct and blunt language.

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CHAPTER V

BACON'S "NEW ATLANTIS"

The Last Struggle of the Peasants.—After the death of Sir Thomas More, the conflict between the peasants and the possessing classes was vigorously waged for a number of years. The despairing cry of the farming population was thus vividly expressed by Robert Crowley, vicar, printer and archdeacon:

"The great farmers, graziers, rich butchers, lawyers, merchants, gentlemen, lords, . . . men who have no name because they are doers of all things where gain is to be had . . . they take our houses over our heads, raise our rent, levy great (yea unreasonable) fines, they enclose our commons . . . and to go to the cities we have no hope, for we hear that these unsatiable beasts have there all in their hands."

To this indictment, the lord, accusing the peasants of communistic beliefs, replies:

"The peasant knaves . . . will have no gentlemen, they will have all men like themselves, they will have all things in common. . . . They will appoint what rent we shall take for our grounds. They will cast down our parks and lay our pastures open. We will teach them to know their betters; and because they would have all common, we will leave them nothing."[1]

In 1549, fourteen years after More's death, the peasants again rose in angry though unsuccessful revolt—the last such rebellion on a national scale staged in England against the crushing of the village communities.

Communism Loses Caste.—In defending these rebel

[1] Robert Crowley, *Select Works* (1550), pp. 133-43; quoted in Beer, M., *History of British Socialism*, Vol. I, pp. 44-5.

peasants, the churchmen of the day made it clear that they had no sympathy with agrarian communism, for communism was losing caste with the Christian Church.

Thus Bishop Latimer, in urging leniency for the peasants, felt it necessary to quote Scripture against the communist tenets: For "if all things were in common there could be no theft and so this commandment 'Thou shalt not steal,' were in vain. The laws of the realm make *meum* and *tuum*, mine and thine. If I have things by those laws then I have them. . . . Things are not so common that we ought to distribute them to the poor. . . . But we ought to help one another."

"On the whole," concludes Beer, "with the rise of Protestantism the clear Scriptural text of the Ten Commandments prevailed over the communistic traditions of Primitive Christianity, monastic orders and scholastic *Jus naturale*. . . . Communism lost its sanction in church and state, and took refuge with the extreme wing of nonconformity, revolutionary rationalism, and working class organizations, while society at large moved toward individualism, whose first manifestation was the Elizabethan age—an age of pioneers, men of keen initiative. Its great interpreters, Spenser and Shakespeare, were both anti-communist and anti-democratic."[2]

Communist agitation gave place to the movement for Poor Law Reform and similar legislation.

Bacon vs. More.—Then came the accession of Elizabeth, the destruction of the Spanish Armada, the triumph of the Reformation. Men's minds turned to science, invention, exploration, and industrial production. It was in these times that the next great utopian, Francis Bacon, philosopher and natural scientist, lived and gave to the world—nearly a century after More's *Utopia*—at least a fragment of his utopia in the *New Atlantis*.[3]

[2] Beer, *op. cit.*, p. 46.

[3] Francis Bacon, Baron of Verulam, and ranking only second to Shakespeare in the intellectual achievements of the sixteenth century, was born in London in 1561. He was the son of Sir Nicholas Bacon, Lord Keeper of the Great Seal, and, like More, was intended for the ministry, but actually was educated for the law. He was edu-

More, a representative of the Humanist Period of the Renaissance, had advocated the recognition of equal social rights for all reasoning men, through the return to a primitive communism. Bacon, on the other hand, a representative of the Natural Science Period, believed that the salvation of the race and its ultimate perfectibility depended, not on reform of laws of property, but rather on increased productivity brought about by the progress of science and its application to human life. And so, in his *New Atlantis,* which described an imaginary island in the South Seas, he tells how a wise lawgiver had organized a kingdom of happy and prosperous men on the basis of applied science.

Salomon's House.—The most important institution of this South Sea island was not, therefore, the communist form of property, but the great college called Salomon's House wherein scientists were eternally engaged in discovering new scientific truths and principles—"the noblest foundation that ever was upon the earth, and the lantern of this kingdom."

The end of this foundation is "the knowledge of causes and the secret motions of things and the enlarging of the bounds of human empire, to the effecting of all things possible."[5] Here new metals are artificially made, great towers a half mile high aid in the observation of the weather and of the fiery meteors; strange new fruits and

cated at Trinity College, and ultimately became one of More's successors as Lord Chancellor of England.

Bacon was a strange combination of a philosopher and an unscrupulous politician. So irregular were many of his activities that he was driven from the office of the Lord Chancellorship in 1621 on the charge of accepting bribes and other dishonest practices—which charges he admitted. He was fined 40,000 pounds and sentenced to life imprisonment, but later released by the king. In disgrace he retired to his home in St. Albans, and there devoted himself to science and philosophy. The *New Atlantis,* written in 1622, four years before his death, was the product of his final period of study and speculation. His writings embraced a wonderfully wide range of interests. He was at once historian, logician, philosopher, essayist. He was conversant with almost every science, and was one of the few really great scholars of his times.

[4] See Hertzler, *op. cit.,* p. 147; Beer, *op. cit.,* p. 49.

[5] Morley, *Ideal Commonwealths,* p. 202.

flowers are brought into being; deep caves are dug to be used in which men may conserve and regain their health; great lakes of salt and fresh water exist similar to our marine laboratories; medicines are discovered with wonderful healing qualities which banish diseases and prolong life, and an attempt is made to widen the gamut of human intelligence through scientific research in every sphere of human knowledge.

These researches are conducted by twelve endowed students who constitute the aristocracy of the island. A number of these are sent abroad every twelve years to observe the progress of science elsewhere. Thus trade with foreign lands is maintained "not for gold, silver or jewels, nor for silks, nor for spices, nor any other commodity or matter; but only for God's first creature, which was light; to have light, I say, in all parts of the world."[6]

Marriage and Other Relations.—Bacon did not advocate communism in property, but "communism in knowledge." Unlike More and Plato, he regarded the family as the unit of society, and his *New Atlantis* gave special place of honor to the father of large families. He bitterly attacked the loose marriage relations of the day and urged monogamous marriage, faithfully observed, as the ideal of any good society. His state was ruled by a king, but a king ruling through sheer ability. It persistently kept out foreign influences, as tending to corrupt the population.

A Defect.—Bacon's great defect was his refusal to see that the development of science, while necessary to any ideal society, was not sufficient. For the people of a nation must not only produce, but also learn the art of social cooperation, and determine how every new invention and discovery may be applied to the broadest possible social ends. The history of civilization has since shown that science may not only be used as a great constructive force, but also as a great destroyer, unless guided by a correct social philosophy.

[6] *Ibid.*, p. 191.

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CHAPTER VI

GERMAN AND ITALIAN UTOPIAS

Andreae's Christianopolis.—Two other utopias appeared about the same time as the *New Atlantis,* one formulated by a comparatively obscure German traveler and social reformer, Johann Valentin Andreae, and the other, by an Italian monk, philosopher and teacher, Thomas Campanella. Both these writers followed the communistic visions of Plato and More, rather than the more individualistic teachings of Francis Bacon.

Andreae, who offers the more appealing utopia of the two, finds himself wrecked upon the shore of an island, dominated by the city of Christianopolis,[1] a clean, orderly city of 400 inhabitants, "a republic of workers, living in equality, desiring peace, and renouncing riches. The city is divided into zones for light and heavy industry. The workers consciously strive to apply science to production, thus introducing a sort of efficiency system. The men are not driven to a work with which they are unfamiliar, like pack animals to their task, but they have been trained before in an accurate knowledge of scientific matters."

The motto of this new utopia may be summed up in one of Andreae's sayings, "To be wise and to work are not incompatible, if there is moderation." The artisans are mostly all educated men. "For that which other people think is a characteristic of a few . . . , the inhabitants argue, should be attained by all individuals."

Communism of Christianopolis.—All things produced are brought by the workers to a public booth, and every workman receives the things he needs for his work during

[1] Andreae, *Christianopolis,* translated in 1916 by Felix E. Held, Oxford University Press.

the ensuing week. Production is thoroughly organized and those in charge "know ahead of time what is to be made, in what quantity, and of what form, and they inform the mechanics of these items. If the supply of material in the work booth is sufficient, the workmen are permitted to indulge and give free play to their creative genius. No one has any money. . . . And no one can be superior to the other in the amount of riches owned, since the advantage is rather one of power and genius."

Other Institutions.—The houses are inhabited by couples, rather than by patriarchal families, as in More's *Utopia,* and have ample light and air. There are covered walks in the streets, five feet wide, supported by columns twelve feet high, to shelter the citizens from the rain—an anticipation of Bellamy's *Looking Backward.* The furniture in the homes is very simple, so that the household work, performed by husbands as well as wives, will not be arduous. For the people of this city believe that "only those persons are rich who have all of which they have real need, who admit nothing else merely because it is possible to have it in abundance."

A special effort is made to obtain as teachers the very best available material in the community. The government is in the hands of a legislature and an executive, the latter consisting of a Minister, Judge and Director of Learning. The administrative control of the city is thus delegated to representatives of religion, justice and learning.

Campanella's City of the Sun.—Of greater renown though perhaps of less merit than Andreae's ideal commonwealth, was Thomas Campanella's *City of the Sun.*[2]

[2] Campanella was born in Calabria in 1568, seven years after the birth of Bacon. When but a boy he entered the Dominican order. While there he emphasized the need of studying Nature through her own works, not through books. During the Calabrian revolt against Spanish rule, Campanella, who was an Italian patriot, was arrested and sent to prison. He was also attacked by the Spanish Inquisition, accused of writing books he had not written, and of holding opinions he did not hold. He was subjected to torture seven times; and suffered imprisonment for 27 years. The Pope himself interceded for him with the King of Spain.

Following his imprisonment, he went to Rome where he was protected by Pope Urban VIII, but was finally compelled to leave that

Campanella's ideal state bears a distinct resemblance to those of Plato, More and Andreae. A sea captain of Genoa is compelled to go ashore on a far away island, and is led to the City of the Sun, which appears resplendent on a high hill overlooking an expansive plain. The communism in Campanella's ideal state is absolute—more absolute than that of any of his predecessors. Whatever the citizens "have, they receive from the community, and the magistrates take care that no one receives more than he deserves. Yet nothing necessary is denied to anyone."[3]

No Riches or Poverty.—They suffer neither poverty nor riches to exist, holding as they do that "grinding poverty renders men worthless, cunning, sulky, thievish, insidious, vagabonds, liars, false witnesses, etc., and wealth makes them insolent, proud, traitors, assumers of what they know not, deceivers, boasters, wanting in affection, slanderers, etc. . . . With them all the rich and poor together make up the community. They are rich because they want nothing, poor because they possess nothing; and consequently they are not slaves to circumstances, but circumstances serve them."[4]

Nor does communism stifle their incentive to action, as "they burn with so great a love for their fatherland as I could scarcely have believed possible."[5]

The Family.—Communism enters even into family relations, as with the magistrates and soldiers in Plato's *Republic*. For, argues Campanella—after observing the work of destruction wrought by the great families of Italy during his lifetime—was convinced that devotion to the state and the desire to increase the prestige of family were not compatible. "For when we raise a son to riches and dignities, we become either ready to grasp at the property of the state, or avaricious, crafty and hypocritical, if any

city. In Paris, Richelieu became his friend. He received a pension of three thousand livres from the King of France while the Sorbonne vouched for his orthodoxy. He died in Paris in 1639 in the Convent of the Dominicans at the age of 71.

[3] Morley, *Ideal Commonwealths*, pp. 225-6.

[4] *Ibid.*, p. 238.

[5] *Ibid.*, p. 225.

one is of slender purse, little strength and mean ancestry. But when we have taken away self love, there remains only love for the state."[6]

Honoring the Producer.—The citizens of his ideal city honor only those who toil—there is no slave class—and the occupations that require the most labor are regarded as most praiseworthy.[7]

"Therefore they laugh at us in that we consider our workmen ignoble, and hold those to be ignoble who have mastered no pursuit; but live at ease and are so many slaves given over to their own pleasure."[8]

Four hours a day is the normal work day, for all engage in useful labor and no one needs to support another.

Visual Education.—Campanella believed in new educational methods—methods centuries ahead of his time. He would have education presented to the growing youth by visual means. And so in the *City of the Sun* he had history, geography, mathematics and botany presented pictorially on the seven great walls of the city, in such a way that the children could be taught "without toil and as if for pleasure."[9]

Aristocracy of Learning.—The government in Campanella's city is in the hands of an aristocracy of learning, elected by the people, and the chief of the temporal and spiritual affairs of the state must be informed concerning practically every branch of knowledge known to that day. So desirous are the people for the propagation of only the fit members of the race, that they give almost unbelievable powers of eugenic regulation to their magistrates.[10]

While a repetition in many respects of other utopias, as has been stated, the *City of the Sun* was, nevertheless, the most comprehensive scheme of social reform proposed in Italy since the days of Savonarola, a century before, and exerted a considerable influence over the disturbed political conditions of the times.

[6] *Ibid.*, p. 225.
[7] *Ibid.*, p. 246.
[8] *Ibid.*, p. 228.
[9] *Ibid.*, p. 224.
[10] *Ibid.*, p. 228.

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CHAPTER VII

THROUGH THE SEVENTEENTH CENTURY

Hobbes and the Social Contract Theory.—Following the utopian visions of Bacon, Andreae and Campanella, the old agrarian feudalism and communism throughout Europe and particularly in England began to crumble, and a new order began to emerge. English commerce was extended to hitherto unknown parts of the world; cities sprang up at every hand, and private property became firmly entrenched.[1]

With their growing power, the possessors of property sought to discover a philosophy which would justify the existence of private ownership and discredit the communist position. They formulated a theory known as the "social contract theory," originated by Hugo Grotius (1583–1645) and elaborated by Thomas Hobbes (1588–1679). Hobbes' thesis was essentially as follows: Communism, it is true, existed in the state of nature. Man, however, soon began to develop evil passions and lust for power, and these characteristics resulted in perpetual warfare and the survival of the strongest and craftiest. The laws of justice, of mercy and of modesty, which are nature's laws, were thus nullified. Mankind faced the alternative of seeking to preserve its natural liberty, as a consequence suffering from destructive warfare, or, on the other hand, subjecting itself to authority and gaining thereby a security and

1 Utopias based on communistic teachings continued to appear during that period. One was presented in a brief pamphlet, *Paradox*, in which the author portrays the people of Madagascar as the happiest people on earth, as they had no "inordinate desire for riches, which is the root of all mischief—a raging, famished beast that will not be satisfied, a bottomless gulf that cannot be filled." (*A Paradox, Harl. Misc.*, Vol. I, pp. 263-9; quoted in Beer, *History of British Socialism*, Vol. 1, p. 54.)

peace. . . . Confronted with these alternatives, mankind chose authority and peace, because the desire for life and for self-preservation is fundamental.[2]

After arriving at this decision, the people entered into a solemn contract to hand over their authority unconditionally to one man or to an assembly of men, and pledged themselves to obey the laws of their sovereign. So binding was this pledge, according to Hobbes, that, "though a monarch, a sovereign, may in his passion pursue aims contrary to the laws of nature, no subject has a right to make war on him."[3]

With this transfer of power, the natural state ended, and the artificial state followed, with power over property, religion and all the affairs of the commonwealth. "Inequality and the law of thine and mine" also arose, that is, "the right of a subject to exclude all other subjects from the use of things which he possesses."[4]

Thus Hobbes tried at one and the same time to defend the inviolability of private property and of absolute monarchy. But the England that beheaded King Charles did not take kindly to his monarchical arguments. As for his theory of social contract, that has long since been exploded by social thinkers.

John Locke and the Labor Theory of Value.—In fact Hobbes' great successor, John Locke (1632–1704), refuted this theory completely. In the first place he disagreed with Hobbes and Grotius in their contention that the state of nature was a state of communism. When the wild Indian gathered food and prepared it for his own use, it became his exclusive possession. This was legitimate, as the Indian "mixed with it his labor and joined to it something that was unquestionably his own." Moreover, things in their natural state have little value. Nine times their value is added to them through labor. As this labor, the creator of value, is a part of the Indian, in

[2] Thomas Hobbes, *Leviathan*, c. 14. John Selden worked out a somewhat similar philosophy during these days (Beer, *op. cit.*, p. 54).

[3] Thomas Hobbes, *Elements of Law*, ed. Toennies, I, c. 14; II, c. 1, *et seq.*; Beer, *op. cit.*, p. 54.

[4] Hobbes, *op. cit.*, c. 15, c. 16.

taking the food he was taking only that which was his own. Through labor, therefore, one acquires the title to property.

It follows that so much of land and other property as man can work and render useful belongs to him. This was acknowledged in the original state of nature. The one difference between the natural state and the civil state lies in the degree to which man appropriates property to himself. In the original state, he secured only as much as he needed. Locke also took issue with Hobbes in his defense of absolute monarchy. The labor theory of value, which he developed, has done yeoman's work in the socialist movement.[5]

Revival of Communism in the Struggle against the Monarchy.—In spite of these broadsides against communism and the increasing power of property owners, communistic ideals were revived with considerable enthusiasm in the middle of the seventeenth century during the bitter fight for supremacy between the Monarch and Parliament. Many of the agitators of the day shifted their argument somewhat from that of the older communists. Communism, they claimed, did not cease with the Fall of Man, but continued even until the Norman Conquest, when the Englishman was defeated and the natural state was turned into a civil state. Thus Gerrard Winstanley, the leader of the small band of communist Diggers, pleaded with Oliver Cromwell that he cast out the "conquerors and recover our land and liberties . . . for when the Norman power had conquered our forefathers he took the free use of our English land from them and made them his servants."[6]

The Diggers' Utopia.—In his new Law of Righteousness, Winstanley visualized a utopia in which "there shall be no buying and selling of the earth, nor of the fruits thereof. . . . If any man or family want corn or other provisions, they may go to the storehouse and fetch without money. If they want a horse to ride, they may go into the fields in summer or to the common stables in

[5] See John Locke, on *Civil Government*, II, c. 5; Beer, *op. cit.*, pp. 56-8.

[6] Winstanley, *Law of Freedom* (1652), p. 3; Beer, *op. cit.*, p. 60.

winter, and receive one from the keepers, and when the journey is performed, bring him back. . . . As every one works to advance the common stock, so every one shall have free use of any commodity in the storehouse for his pleasure and comfortable livelihood, without buying or selling or restraint from anybody."[7]

Family life, however, must be private and monogamous and "every man's house, furniture, and the provisions which he fetches from the storehouses are proper to himself, likewise the wife to the husband and the husband to the wife."[8] Throughout Winstanley showed a devotion to the principle of common ownership equal to that of the great utopians of the past.

The Diggers, true to their name, soon began their peculiar propaganda of the deed, by digging up and manuring one of the hills in Surrey, in order to encourage others to "restore the creation to its former condition." The remedy for the present situation, they maintained, was to plow up the commons, parks and other untilled lands. When others saw the blessings of this method, they would come to their communities. But their efforts were comparatively futile.

Harrington's Oceana.—Contemporaneous with the communistic utopia of the leader of the Diggers, was the political utopia, *Oceana*, of the gentleman-commoner, James Harrington (1611–1677),[9] with its gospel of republicanism.

[7] From Winstanley, *op. cit.*, pp. 74-5, quoted in Beer, *op. cit.*, pp. 67-71; cf. Bernstein, *Sozialismus und Democratie*, 1905; Gooch, *Democratic Ideas*, 1898.

[8] Winstanley, *op. cit.*, p. 24.

[9] James Harrington, the son of Sir Sapcotes Harrington, was born in 1611, shortly after the birth of Milton. He was educated at Oxford, and later traveled extensively on the continent, where he became a keen student of government, and particularly interested in the governments of Holland and the municipality of Venice. It was during these studies that he became an advocate of the republican form of government. Returning to England, he lived the life of a student and wrote his *Oceana*. Following the downfall of the Commonwealth, he was committed to the Tower of London for holding republican opinions, and there became desperately ill. Though later liberated by Charles II, he never regained his health, and died at Westminster at the age of sixty-six.

Harrington's treatise was aimed primarily at the development under Oliver Cromwell of a sound and lasting political constitution.

Industrial vs. Political Control.—Its chief merit lay in its clear analysis of the relation of industrial to political control. The property owners of society, Harrington contended, particularly those in possession of land, inevitably control the political life of the community. "As is the proportion or balance of dominion or property, such is the nature of the Empire." Where land is owned by one, there is monarchy; by a few, there is aristocracy; by the people generally, there is a commonwealth. Thus the commonwealth should enact a law forever "establishing and preserving the balance of dominion by such a distribution, that no man or number of men, within the compass of a few or aristocracy, can come to overpower the whole people by the possession of lands."[10]

Democratic Safeguards.—Thus Harrington was among the first to emphasize how completely those who control property may expect to control government and politics. As safeguards to democracy he urged, among other things, the secret ballot, rotation in office and a two chamber legislative system. He undoubtedly stimulated the development of national forms of democracy. He also urged compulsory free education as the hope of democracy and religious toleration.[11]

Peter Chamberlen Favors Nationalization.—Several other utopian writers and advanced social reformers appeared in England from the civil war to the end of the seventeenth century. Unique among these was the social reformer, Peter Chamberlen, who argued that the wealth and strength of all nations was the propertyless workmen, who did all of the necessary work for society, made up most of the army, and possessed the same right to the earth as did the rich. The end of wealth, he asserted, was the abolition of poverty. His teachings smacked of those

[10] John Toland's *The Oceana and Other Works of James Harrington* (London, 1737), pp. 39, 40.
[11] See Hertzler, *op. cit.*, pp. 165-178.

of the modern socialist when he urged that poverty could only be abolished through the nationalization of the estates of the King, the bishops, the deans, and the delinquents, as well as the public ownership and development of the commons, the wastes, the forests, the mines, and the treasures in sea and land, and through taking possession of the unearned increments in value in agriculture, trade and manufactures. Chamberlen also proposed the establishment of a national bank, and the cultivation of land on a cooperative basis, but with farmers free to work individually if they so desired. The government should likewise be depended upon to furnish tools and raw materials to farmers and handicraftsmen.

"Let no man say that men were poor," Chamberlen declared, "because they were unworthy. Some of the greatest apostles, also Christ and the apostles, were poor. Besides, the poor would not be poor, if the rich were honest, so as to let the poor have their own; the riches of the rich are oftentimes but trophies of their dishonesty, of having robbed the poor or cozened the Commonwealth." [12]

[12] Chamberlen, Peter, *Poor Man's Advocate* (1649), p. 12; Beer, *op. cit.*, p. 72.

A utopia of minor importance was that of Samuel Hartlib, a German refugee from Poland, who wrote in 1641 a description of the Kingdom of Macaria, somewhat after the fashion of More's *Utopia*. No man in this imaginary government could hold more land than he could improve, while one-twentieth of the estate of each reverted to the state at his death.

The cooperative ideal was also emphasized by Peter Cornelius van Zurik-Zee of Plockhoy, a far less revolutionary writer than Chamberlen, in his pamphlet, *The Way to Make the Poor in These and Other Nations Happy* (1659). He declared that cooperative production and housekeeping and buying was far cheaper than private enterprise and would decrease the cost of necessities. He urged the organization of "Little Commonwealths" to carry out his schemes.

Much less millennial in its aspect was the scheme of social reform advocated by John Bellers (1655–1725), a member of the Society of Friends, and perhaps the most representative social reformer of that period. Bellers advocated the establishment by the rich—who would secure a fair rate of interest—of a series of cooperative agricultural colonies for the poor. Each colony was to contain about 300 persons able to perform all of the necessary work around the farm. Cooperative workshops for arts and crafts were to be established in all industrial centers. As these ventures would eliminate competitive wastes, a remunerative rate of interest would be ensured

Nor were men poor, he continued, because they were idle. If this were so, then it were a reason why rich men were not rich, since "Edel" man (gentleman) is idle-man. The poor have been accused of insolence. But there is no greater incitement to insolence than poverty face to face with flaunting wealth. The new order would lead to love of country, obedience to law and stability of government.

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to the stockholders. Life in these colonies would be communistic after the example of primitive Christianity.

Bellers anticipates Robert Owen and John Gray by his advocacy of *labor time as the standard of value.* The rich cannot live, Bellers maintained, but by the labor of others. As labor was the support of the rich, the rich should see that the poor worked under the most advantageous conditions, both from the standpoint of increasing wealth production and of elevating the condition of the poor.

There were other social writers who would not raise a finger for the elevation of the poor, such, for instance, as Bernard Mandeville, who, in his *Fable of the Bees,* maintained that in "a free nation, where slaves are not allowed, the surest wealth consists in a multitude of laboring poor . . . ignorant as well as poor." (Mandeville, *Fable of the Bees,* etc., edition 1724, pp. 328 and 280; Beer, *op. cit.,* p. 77.)

CHAPTER VIII

THE FRENCH UTOPIAN SOCIALISTS

A Product of the French Revolution.—With the coming of the eighteenth century, our scene shifts from England to France, for here lived the majority of the great utopian socialists of the eighteenth and the beginning of the nineteenth century.

The French utopian socialists were a product of the forces that led to the French Revolution and its aftermath. The long reign of Louis XIV (1643–1715), with its unceasing wars of conquest, its profligate court, its burdensome system of taxation, its bankrupt finances, its weakened economic system, and its impoverished peasantry, had caused bitter resentment against the monarchical system. Resentment increased under the rule of Louis' dissolute successor, Louis XV (1715–1774), and was voiced by many Frenchmen, notably Voltaire and Rousseau. Voltaire (1694–1778) expressed his sympathy for the poor, but relied, for social salvation, on freedom of thought and individual self-culture, rather than on revolutionary change. Jean Jacques Rousseau (1712–1778) followed with his criticism of the palliatives of the *intelligentsia,* and his advocacy of the total abolition of the reigning order. Private property, he contended, was plunder, and the Golden Age could be brought about only by its abolition and a return to nature.

These writings exerted a potent influence on the revolutionary movement of the day, and gave encouragement to those who would sweep away rather than patch up monarchical institutions. The sentiment for the overthrow of French monarchy was increased by the stand of the ruling house against all reform measures. It was intensified by

the American revolution. That which America had done, the Frenchmen should do. The belief in the need of revolutionary change was also constantly encouraged by growing commercial and industrial interests of the time desirous of wresting political power from the aristocracy. These were joined by the peasants and city workers, whose misery was extreme, and who were led to believe that an upheaval would mean for them liberty, equality, fraternity.

Disillusionment of the Revolution.—The revolution came. The bourgeoisie wielded the power formerly possessed by the titled classes. Men were made equal before the law, but the relation of property had not changed, and when the common man began to ask what the revolution had meant to him, he discovered that the chief causes of economic and social equality remained. The peasants and city workers were still the burden bearers of society. The lot of many had been made worse rather than better by the development of machine production, with its accompanying long hours, its low wages and unemployment. These conditions caused extreme pessimism on the part of many idealists. They turned the attention of others to constructive methods whereby equality, freedom and brotherhood might become a reality. Among the latter group were the socialist utopians.

The Utopian Socialists Appear.—These writers and prophets differ in many ways from one another. Some pictured a future condition of society in which the state would regulate in detail both industrial activity and individual behavior. Others pinned their faith to a system of free and voluntary cooperation. All tried, however, to visualize an industrial society wherein equality of economic opportunity would prevail, and wherein no man would be able to live off the labor of his fellows. In general they believed with their predecessors that the institution of private property was brought about by a contract made in remote ages after the disappearance of the natural state and its communistic system of property. However, they argued, this social contract may be altered at any time by the individual members of society. It should be altered

in such a manner that men—who are by nature good—shall be freed from vicious institutions and be permitted to develop according to the laws of nature. Their next quest was: What social organization can be devised which will give nature's forces full play? It was in answer to this question that they elaborated their utopias which differed so widely in concept from each other.

In working out their utopias they worried but little as to whether the great industrial forces at work in society would permit of the contemplated change. They scarcely thought in terms of social evolution. All that was necessary to do, the majority of them believed, was to present a plan for social salvation, begin to experiment on a small scale, interest powerful men in its development, and extend it to the masses. Such trifles as the state of industry and the preparedness of the masses disturbed them not at all.

Babeuf

A Stormy Life.—The first of the school of utopian socialists, and an extreme product of the revolutionary period, is Francis Noel Babeuf (1764–1797). Babeuf represented the old communist conception of absolute equality rather than the socialist ideal of equal opportunity. He was one of the stormy petrels of the Revolution. Following a short career as a land surveyor and administrator of the Department of the Seine, he entered the revolutionary movement and founded *The Tribune of the People,* probably the first communist newspaper ever published. He launched violent attacks therein against the institutions of civilized society, and in particular opposed those who had terminated the Reign of Terror. For these activities he was arrested and imprisoned. On his release, he formed a secret organization with the object of overthrowing the Directory and of introducing the communist millennium. Considerable success attended his efforts, and, in April, 1796, it was said that 17,000 men were prepared to join the insurrection. One of the inner circle, however, informed on the "Equals," as they called themselves, and

Babeuf was again arrested, and was subsequently sent to the guillotine (1797).

His Philosophy of Equality.—The theoretical basis of Babeuf's communism was drawn largely from Morelly's *Code de la Nature.*[1] His philosophy is succinctly expressed in the dictum: "The aim of society is the happiness of all, and happiness consists in equality." "Nature," his followers asserted, in the first article of the official declaration of rights of the secret committee, "has given to every man an equal right in the enjoyment of all goods."[2] All wrongs, oppressions and wars have their origin in man's disobedience to this natural law.

Gradual Nationalization.—Babeuf, however, did not hope to bring about this state of absolute equality at once. It was to be established gradually. First, all the property of corporations and institutions would be nationalized. That of individuals would next be nationalized, on the

[1] Abbe Morelly, born about 1720, was the one writer of his time who did not content himself with criticizing the old society, but who formulated a scheme for a new order. Man, according to Morelly, is naturally good and naturally recognized the claims of others. Evil thus arises as a result not of the nature of man but of the maladjustment of social forces. The remedy, therefore, is to be found in the eradication of those institutions which pervert human nature. The one institution which, more than any other, causes human misery is the institution of private property. The inroads of private property upon the primitive communism of the race which are responsible for the evil and disorder of the times.

Morelly thus urged in his work of fiction, *Code de la Nature,* the common ownership of productive goods, private ownership being retained only in those things reserved for immediate use. Under the ideal society, there would be no idlers. Each would labor for the community "according to his ability, and share according to his needs." (*Code de la Nature,* pp. 153-4; Guthrie, *Socialism before the French Revolution,* p. 266.) Nor would any man shirk labor if it were made attractive. To fit man for this state, Morelly urged compulsory education, and a training in industrial arts. A unique plank in his program was his insistence that every man attaining his majority should be compelled to marry and that only those above forty years of age should be allowed to become celibates. "Festivals of marriage" should be instituted as an encouragement to the marriage state. Pleasure he conceived to be the end of human aspirations. All the human passions he regarded as essentially good.

[2] See "Manifesto of the Equals," in Reybaud's *Études sur les Réformateurs,* etc., 1856, Vol. II, pp. 423-453.

death of each, for there was to be no inheritance. By the end of fifty years, all property would be in the hands of the nation. Production would then be carried on under officers elected by popular vote. These officers would determine the needs of individuals and divide the products of industry among the workers. They would receive the same reward as the ordinary workers, and rotation in office would prevent them from becoming intrenched in a position of power.

Further Details.—The country, under Babeuf's utopia, would be divided into various regions, and, on orders of the government, workers would go from one region to another as required. The surplus products of a more prosperous region would likewise be sent to those districts in need. Only citizens performing labor considered useful by the government could exercise any political rights, a provision not dissimilar to that afterwards adopted by the Russian Soviet Republic.

Teaching would be regarded as useful only if undertaken by one who had declared his adherence to the principles of the community. Literature and fine arts would not be included in the category of useful occupations. All must eat alike, be dressed alike—allowances being made only for sex and age—and be educated in the practical sciences. Children were to be taken from their parents at an early age, brought up together and taught the principles of communism, so as to prevent the growth of inequality.

Conclusion.—While all of Babeuf's proposals cannot be dismissed as impracticable, the modern idealist will find his utopia on the whole cheerless and uninteresting, a fitting product of the age of terror and materialism through which its proposer was then passing, and in which he played so active a part.[3]

[3] For a more extensive account of Babeuf's life and works see Ernest Belfort Bax on *The Last Episode of the French Revolution* (Boston, 1911); see also Ely's *French and German Socialism*, Ch. II (N. Y., 1883); *Histoire de la Conspiration pour L'Egalité & dite de Babeuf*, 2 Vols. (Brussels, 1828).

Cabet

Cabet's Career.—Babeuf was one of the two Frenchmen included under the general title of utopian socialists who aligned themselves definitely on the side of absolute equality. The second of this school, and a man of far greater idealism and poetic imagination than Babeuf, is Etienne Cabet.

Cabet was born in 1788, during the revolutionary period, received a good education, became a lawyer, was appointed in his early thirties attorney general of Corsica, which position he soon lost because of his opposition to the government, and was shortly afterwards elected a member of the Chamber of Deputies. Subsequently he became editor of *Le Populaire,* a journal of moderate communist principles, and was condemned to two years' imprisonment for an article appearing in this journal criticizing the king. He escaped, however, to England, and while there became acquainted with Sir Thomas More's *Utopia.* It was from this book that he drew the inspiration which resulted in the writing of his social romance, *The Voyage to Icaria.*

Icaria.—In this book, Cabet employs the familiar device of conversing with a traveler who had visited an ideal land. The traveler in this case was Lord William Carisdall, who had come across a second Promised Land, an Eden, an Elysium, a new terrestrial Paradise, Icaria, a land where peace and wisdom, joy and happiness were universal. Lord William kept a journal of his observations in this Elysium.

According to the journal, Icaria is a well organized industrial machine on a national scale. The country is divided into a hundred provinces and each province into ten communes. The capital cities are in the center of each district. Everything is symmetrical and follows the decimal system. The city of Icaria contains straight and wide streets and beautiful gardens. Each block has precisely fifteen houses, all of uniform size and construction. The city sees to it that the citizens are supplied with every sanitary convenience. Dust is collected by elaborate ma-

chines, and the sidewalks are roofed over with glass to protect the citizens against the rain.

Each citizen arises early for a six o'clock breakfast prepared according to scientific standards. The hours of work are seven in the summer and less in winter. The state owns all of the large industries, sees to the cultivation of the land, to the building of the houses and to all other phases of production and divides the product of industry equally among the workers. The inhabitants choose the officers, but these officers are given much power, and during their term of office, there is something akin to a dictatorship of technicians.

Every man, alas, has to wear the same kind of clothes, and all women and children are dressed alike, although variety is allowed in colors. Marriage is monogamous, a preliminary courtship of six months being provided for. Education begins at five, and is continued until eighteen for boys and seventeen for girls. Thereafter both sexes are put to the work for which they are best fitted. All can retire at 65 years of age. Women are held in high esteem. There are no newspapers and no way of crystallizing public sentiment, but there is the right of submitting proposals to public assemblies. Art and literature are encouraged, although books must be submitted to the state for approval before publication.

On the whole, while more idealistic than Babeuf's proposals, the utopia pictured by Cabet presents the same restrictions upon freedom of personal action and the same monotonous uniformity which are so deadening to initiative and so contrary to the modern socialist conception of a future state.

Means of Realization.—Cabet felt that a state similar to Icaria was in the realm of possibility, indeed, that it could be realized by society in the space of fifty years. In its realization, however, the teacher, not the soldier, would serve as the instrument. A beginning could be made by passing minimum wage laws, training the children in the doctrines of communism, and progressively taxing the rich and letting the poor go free.

He believed, furthemore, that the establishment of a sample colony in some undeveloped region would help to convince doubting Thomases of the virtue of his scheme. He secured a grant of land in Texas, started his band of followers there, but, with the development of yellow fever, transferred his colony to Nauvoo, Illinois, where some 1500 Icarians gathered. But Cabet was not a born leader. He dreamt of what he could do with 500,000, and failed to get his 1500 to work in harmony. Dissension finally broke up the colony. Some of the branches continued for years, but had no great significance, and the people of his day failed to see his vision and follow it.

Saint-Simon

His Youth.—We now leave Babeuf and Cabet for Saint-Simon. We find in him a utopian whose aim was the development of a social system wherein man would be rewarded according to his deeds, and where equal opportunity rather than a mechanical equality would prevail.

Comte Henri de Saint-Simon was a personality unique in the history of social reformers. He was born in Paris in 1760, a younger brother in a noble family which traced its ancestry from Charlemagne. After losing an inheritance yielding an income of 500,000 francs, through a quarrel between his father and the Duke of Saint-Simon, he writes: "I have lost the fortune and the titles of the Duke of Saint-Simon, but I have inherited his passion for glory." That he might not forget the glorious destiny in store for him, he commanded his valet to awake him every morning with the words, "Arise, Monsieur le Comte, you have grand deeds to perform."

At nineteen he went to America, took part in the American Revolution, received official recognition for his gallant conduct in the siege of Yorktown, and was made colonel of a regiment on his return to France at the age of twenty-three. Military affairs, however, interested him but little and he soon resigned his post. He observed that he was far more interested in the political than in the military

side of the American Revolution, and that he had set before him in America the task of studying "the movements of the human mind, in order that I might then labor for the perfection of civilization. From that time forward I devoted myself to that work without reserve; to it, I consecrated my entire life." [4]

In the French Revolution.—During the French Revolution, he took the side of the Revolutionists, became the president of a local commune, and proclaimed his intention to renounce the title of count, since he held the title of "citizen" in far higher esteem. His designation "comte," however, placed him under suspicion, and led to his imprisonment for eleven months as a dangerous citizen. Saint-Simon declared that his ancestor Charlemagne appeared to him while in prison and said: "Since the world has existed, no family has enjoyed the honor of producing a hero and a philosopher of first rank; this success has been reserved for my house. My son, thy success as a philosopher will equal mine as a warrior and politician."

Becomes Student and Author.—On his release he engaged in land speculation, accumulated a moderate fortune, devoted himself to study. During this time he formulated the concept of a science of sciences, from which Auguste Comte derived his idea of developing a universal science. Later he thought it necessary to add a training in experience to his training in theory, and undertook, with unfortunate results to himself, to live every kind of life from that of wealthy entertainer to that of profligate and pauper.

He began his career as author and social reformer in 1803, at the age of forty-three, and to it devoted his energies until his death in 1825. His money gone, his health broken, Saint-Simon suffered much during these days. He was sustained by his belief in the future of the race. "The golden age of humanity," he said, "is not behind us; it is to come, and will be found in the perfection of

[4] See Lettres à un Américain, deuxième Lettre in his *L'Industrie ou Discussions Politiques, Morales, et Philosophiques*, Vol. II, pp. 33-4 (Paris, 1817), quoted in Ely, *op. cit.*, p. 55.

the social order. Our fathers have not seen it; our children will one day behold it. It is our duty to prepare the way for them."

For a while he eked out an existence by working as copyist at $200 a year. He copied nine hours a day and weakened his health by his attempt, during hours that should have been given to sleep, to work out a social system. His former valet then came to his aid, but died in 1810. Saint-Simon continued with his labors, wrote two works, and appealed to scientists and other prominent men to aid in their publication. "I am dying of starvation," he writes. "For fifteen days I eat only bread and drink water; I work without a fire and I have sold everything except my garments to cover the expense of the copies. It is a passion for science and the public good, it is a desire of discovering the means of terminating in a peaceful manner the dreadful crisis in which I find the entire European society engaged, that has caused me to fall into this condition of distress; therefore, it is without blushing that I am able to confess my misery and demand assistance to enable me to continue my work."

His appeal met with small response, but was cherished afterwards by his disciples as indicative of the sacrifice made by their master for the common good. Later he received a small annuity from his family.

Just before his death, he completed his three principal works, the *Industrial System,* the *Catechism of Industry* and the *New Christianity,* the last being the most celebrated. Till his death he retained faith in the quick consummation of his plans. On his deathbed he bade his followers, Auguste Comte among them: "Remember that to accomplish grand deeds you must be enthusiastic. All my life is comprised in this one thought; to guarantee to all men the freest development of their faculties." He told of his plans for the projected publication, *Le Producteur,* and declared that forty-eight hours after the appearance of the second issue the party of labor would be formed. "The future is ours." [5]

[5] Reybaud, *op. cit.,* Vol. I, pp. 83-4; quoted in Ely, *op. cit.,* p. 61.

Urges Union of Knowledge and Industry.—The substance of Saint-Simon's contentions in his various works may be expressed as follows: The world is in need of some authority which will rule the inner life of man. The Catholic Church provided that authority up to the Middle Ages and the beginning of the Reformation, but its influence is waning and no agency has as yet taken its place. The present age is an age of destructive criticism. Its chief forces are producing disintegration, as is shown by the French Revolution. This period was necessary, as old obstacles to progress had to be cleared away. The time is now ripe, however, for constructive plans, for a new social system based on universal association.

A transition to this system can be brought about only through an advance in knowledge accompanied by a development from the feudal and theological to the industrial and scientific system. In the past, industry and warfare were united. In the society of tomorrow war must be eliminated. In the past, belief and faith were all potent. In the future this must be supplanted by knowledge, and industry and knowledge must unite to govern the world.

Peace and Cooperation.—In bringing about this marriage between knowledge and industry, the thinkers in society should first of all see that peace was guaranteed. In earlier times, the Catholic Church was able to act as mediator between nations. The hope today is a European parliament composed of real leaders whose function it is to arbitrate.

In the second place, there should be a united effort to establish universal association, which would guarantee labor for all, and would see to it that labor was rewarded according to its merits. A corollary to guaranteed work is that all should labor. The idler is a parasite, whether he is a rich idler or a poor beggar, and cannot be tolerated, for he eats that which others have produced, and is thus no better than a thief.

Dependence on Persuasion.—The future society should not practise the asceticism of early Christianity. The flesh is not evil. Both flesh and spirit should be united

in an harmonious development. Reform should be brought about by persuasion, by the written and spoken word, not by means of violence.

To inaugurate this new order, Saint-Simon, during most of his life, appealed to the classes, rather than to the masses, and even urged Louis XVIII to help in the transformation. He believed that the new state should be under the spiritual direction of the men of science. In his last days, however, he looked forward to the organization of labor as a means to his new order.

The New Christianity.—The Bible of Saint-Simonism is the *New Christianity.* In it the author held that God had founded the church, and that the fathers of the church should be honored. The only valid Christian principle, however, had been perverted, and this the new order would restore. "In the New Christianity," he declared, "all morality will be derived immediately from this principle: men ought to regard each other as brothers. This principle, which belongs to primitive Christianity, will receive a glorification, and in its new form will read: Religion must aid society in its chief purpose, which is the most rapid improvement in the lot of the poor."[6]

The followers of Saint-Simon were led to their socialistic conclusions by observing the discrepancy between merit and reward under the present economic system. The few were surfeited with riches, while the many, who worked ceaselessly, lived in poverty.

Socialist Proposals.—Their practical proposals included the transfer of industry from private to public ownership; the retention of private property in consumption of goods, and the insistence that each shall labor according to his capacity and receive a reward according to services rendered.

Production, under their proposed plan, would be organized in somewhat the same way as the army is administered, with a gradation of authority and of ranks. The directing authorities would decide the value of the service of each to society and the reward which each should receive.

[6] Quoted in Ely, *op. cit.,* p. 66.

The Saint-Simonians did not, however, make clear how these officers would be selected. The assumption seemed to be that the wise and the good would naturally gravitate to the top, voluntarily assume the positions for which their respective capacities fitted them, and that there would be no opposition to such an arrangement. Inheritance would be abolished, for it would interfere with the principle of reward according to merit. Their aim was, then, a co-operative commonwealth, ruled bureaucratically by an aristocracy of science. Their proposals for public ownership and their insistence on reward according to merit distinctly anticipated modern socialistic principles. On the other hand, their dependence on the classes rather than the masses to bring about the change and their plans for the bureaucratic administration of industry without proper democratic safeguards were greatly at variance with the ideals of the modern movement.

Followers of Saint-Simon Deny a Communist Philosophy.—The philosophy of Saint-Simon and his followers was admirably summed up in their brochure published in 1830 replying to an attack on them, in the Chamber of Deputies, on the alleged ground of advocating community of goods and of wives:

> Yes, without doubt the Saint-Simonians profess peculiar views regarding property and the future of women. . . . But these are very different from those ascribed to them. The system of community of goods means a division among all the members of society, either of the means of production or of the fruits of the toil of all.
>
> The Saint-Simonians reject this equal division of property, which would constitute in their eyes a more reprehensible act of violence than the present unequal division, which was effected in the first place by the force of arms, by conquest.
>
> For they believe in the natural inequality of men, and regard this inequality as the very basis of association, as the indispensable condition of social order.
>
> They reject the system of community of goods, for this would be a manifest violation of the first of all the moral laws which it is their mission to teach—*viz.*, that in the future each one should rank according to his capacity and be rewarded according to his works.
>
> But in virtue of this law they demand the abolition of all

privileges of birth, without exception, and consequently the destruction of inheritance, the chief of these privileges, which today comprehends all the others, and the effect of which is to leave to chance the distribution of social privileges among a small number, and to condemn the most numerous class to privation, to ignorance, to misery.

They demand that land, capital, and all the instruments of labor should become common property, to be so managed that each one's portion should correspond to his capacity and his reward to his labors. . . . Christianity has released woman from servitude but has condemned her to religious, political and civil inferiority. The Saint-Simonians have announced her emancipation, but they have not abolished the sacred law of marriage, proclaimed by Christianity. On the contrary, they give a new sanctity to this law.

Like the Christians, they demand that one man should be united to one woman, but they teach that the wife ought to be the equal of the husband, and that, in accordance with the particular grace given to her sex by God, she ought to be associated with him in the triple function of temple, state, and family, in such a manner that the social individual which has hitherto been man alone should hereafter be man and woman.[7]

The Followers of Saint-Simon.—The new faith gained a number of distinguished adherents, among them Buchez, president of the Constituent Assembly of 1830, DeLesseps, the famous engineer, and noted professors, writers, economists, lawyers, bankers and members of other professions. The École Polytechnique, with its engineers, was the stronghold of this new order.

At first the fortunes of this group were placed largely in the hands of Enfantin, a strange leader of men, combining a spirit of vanity and a delight in fantastic dress and ceremonies, with noble and generous sentiments, self-confidence and unusual enthusiasm and magnetic force. Of his influence upon his followers, Booth states: "He ruled despotically over their lives and thoughts; he induced them . . . to lead an ascetic life; he withdrew them from refined society, and forced them to share in the coarsest toil; he compelled them to undergo the humiliation of public confessions, and he received from them the reverence accorded to a divine teacher."[8]

[7] See Reybaud, *op. cit.*, Vol. I, pp. 105-7.

[8] Booth, A. J., *Saint-Simon and Saint-Simonism* (London, 1871), pp. 102-3.

The Sacred College of Apostles.—Under his leadership, the Saint-Simonians established a "Sacred College of Apostles" consisting of six of their leaders, and a subordinate order of less influential members. They formed missions in various French cities and even abroad. Their members delivered numerous lectures, and they published a number of journals. They dressed in blue costumes, light blue being reserved for their leaders, royal blue for the lowest ranks. At times they wore a waistcoat which it was difficult for them to take off without the assistance of others. This symbolized man's dependence on his brother.

The Schism.—Soon, however, Enfantin began to depart from his master's teachings in regard to love and marriage. His belief in the rightness of the impulses of the flesh led him first to advocate divorce and then practically a doctrine of free-love. A violent controversy followed this departure from the faith, and, in 1831, after many all-night debates, during which some of his followers were borne from the room unconscious, the society divided, and Bazard, his co-leader, and many others—including all of the women—left the Enfantin faction.

Enfantin appealed to a priestess to come forward and occupy the seat left vacant beside his by Bazard, as only in that way could a perfect priesthood be formed. Though there were many applicants for this position, the right person, however, did not apply, and the perfect priesthood was not effected.

Enfantin's Retreat.—Enfantin and those who remained loyal to him thereupon decided to retire from the world and to live a life of asceticism. Some forty or fifty of them moved to the leader's home at Ménilmontant, where they performed all of their own work, as a religious duty—for the employment of servants was abhorrent to them. They continued their intellectual development by taking courses in astronomy, geology, physical geography, music and civil engineering. Some of the teachers were men and women of rare eminence.

External persecution, intellectual differences and financial difficulties finally led to the breaking up of this "mon-

astery." The faith continued to prosper for a number of years, however, and the Saint-Simonians made a number of expeditions abroad to promote their faith and to serve mankind. Enfantin headed one expedition to Egypt, where he was a potent influence in urging the building of the Suez Canal. David, the opera composer, delighted the Alexandrians with concerts, while Barrault, orator, fascinated them with his lectures. Enfantin on returning to France was appointed director of the Lyons Railway and became a wealthy man. He kept his faith, but took the position that the school had done its work and that the philosophy was slowly leavening the mass.

The Influence of Saint-Simon.—In estimating his influence upon the future of the social movement, Booth maintains that Saint-Simon was a pioneer in noting the separation of the classes, in emphasizing the importance of labor and property in the development of man, in calling attention to the evil inheritance, and in representing social reform as the true function of government. "Saint-Simonism is the first expression of the proletariat." Undoubtedly its ideas exerted a profound influence on the later socialist movement.

Fourier

Fourier and Saint-Simon.—The teachings of Saint-Simon found their complement in many ways in those of a contemporary French utopian, Charles Fourier (1772–1837). The contrast between these two social philosophers was marked. Saint-Simon was a descendant of the nobility; Fourier, of the common people. Saint-Simon sought to find in history a clue to a new social order; Fourier withdrew within himself and sought deductively to discover the laws of progress. Saint-Simon presented a bold outline of a new social state which he hoped that society would adopt *en masse*. Fourier worked out in minute detail a social order for small communities and sought to demonstrate through experiments on a small scale the practical nature of his theories. Moreover, he based his system on logic and science rather than on feeling and impulse.

Fourier's Life.—Fourier had a much less spectacular career than his fellow utopian. He was born as Besançon in 1772, the son of a cloth merchant. He distinguished himself as a student, entered business, became a traveling salesman, and invested a small inheritance in cotton but lost it completely during the Siege of Lyons. He was arrested and faced with the guillotine, joined the army on his release and subsequently returned to business life and to his career as a reformer. While a boy of five, young Fourier was severely punished by his father for telling a customer the truth about an article in his father's shop. At nineteen, while working for a business house at Marseilles, he was commissioned to throw overboard a quantity of rice which his employer had kept for speculative purposes, until it spoilt. Prices were high, owing to a famine, and the rice had been withheld from the market for fear of a sharp decline in prices. These two instances of dishonesty and of waste in industry—instances which, Fourier believed, typified widespread evils in the industrial system —made an indelible impression on his mind, and ultimately counted heavily in turning the attention of the young merchant to the working out of a saner industrial order.

Career as Reformer.—In 1808 Fourier published his first volume on social problems, but received practically no encouragement for his schemes for some five years. It must be said, however, that the chief support he craved was not that of the impecunious mass, but of the wealthy few who might subsidize some of his social experiments. Once he announced publicly that he would be at home every day at a certain hour to await any philanthropist who felt disposed to give him a million francs for the development of a colony based on Fourieristic principles. For twelve years thereafter he was at home every day, punctually at noon awaiting the generous stranger, but, alas, no millionaire appeared. Most of the Saint-Simonians regarded his proposals with contempt.

During his life he tried but one experiment to test the value of his ideas. A member of the Chamber of Deputies offered him an estate at Versailles. It was occupied

by his converts, but failed, after a few years, from mismanagement. Thus he died without having witnessed any practical steps taken toward the realization of his dream. He had acquired, however, the warm support of a number of disciples. His life throughout showed a rare devotion to his convictions, honesty, integrity and self-sacrifice.

Fourier's Imaginings.—In connection with his social theories, Fourier developed the strangest and crudest kind of world philosophy.[9] In his *Theory of Universal Unity,* he stated, for instance, that the earth was just passing out of its infancy, and that, on its adoption of Fourier's plan of association, it would enter upon a millennium of seventy thousand glorious years when the lions would become the servants of man, and draw men's carriages in a single day from one end of France to another; when whales would pull their vessels across the waters, and sea water would taste like a delicious beverage. Then would come an age of decline and a fourth brief era of dotage.

His Law of Attraction.—But this and other theories are not a necessary part of Fourier's social concepts, though incorporated in the same work. The heart of Fourier's doctrine is the belief in the all-pervading power of attraction. There is an ever present power in the world that draws men together in united action. Obstacles have hitherto been placed in the way of this law of attraction and, as a result, men have been led into anti-social paths. When these obstacles are removed, universal harmony will prevail, and the wealth of mankind will be increased many fold, for men will then love to labor, and the wastes of the present chaotic system will be eliminated.

The quest must be made for a social organization which will give free play to our passions, so that they may combine harmoniously. There are twelve of these passions: (1) the five senses; (2) the four "group passions" of friendship, love, the family feeling (familism) and ambi-

[9] His three most important works were the *Theory of the Four Movements and the General Destinies* (1808); *The Theory of Universal Unity* (1822) and *The New Industrial and Social World* (1829).

tion, and (3) the three distributive passions—which include the passions for planning, for change, and for unity. All twelve combine into one supreme passion of love for others, united in society.

The Phalanx.—Obviously our present society does not lead to harmonious combination of these. There is here nothing but disharmony. Harmony can, however, be found if men and women come together into communities or phalanxes, from 400 to 2000 strong, in combinations of suitable numbers. In each phalanx all of the inhabitants should occupy a great central building, called a phalanstery—not unlike some of our modern apartment hotels. The industry should be largely agricultural. Citizens in this community should unite in groups according to their tastes, which are determined by the character of their "passions." There are the small units of from seven to nine, called a "series," and the larger units, known as "groups." Each group undertakes to do a specific kind of work such as the caring for fruit trees, while a series in that group may take charge of the apple tree section of the work. Individuals may join any series or group as desired, and change from group to group at their will. They naturally choose those units whose work and tastes are congenial. Ordinarily one task gets somewhat monotonous at the end of a couple of hours, and the workers are then at liberty to change their occupation to a more pleasing one. Owing to the joy that the members of the phalanx get out of their work under these conditions, and to the healthy rivalry for quick and efficient results which naturally develops between the groups, the product of these workers will be far greater than at present. Labor here is relieved of the necessity of supporting soldiers, policemen, criminals and lawyers, who are no longer needed in a society based on harmony. Nor will it have to build hundreds of separate houses equipped with separate stoves and maintaining separate kitchens. For the workers occupy apartments in the well equipped phalanstery, have their food prepared in one great kitchen, and dine in a common hall. They also have central stables and central

warehouses for the storing of their food. Under these conditions, Fourier held, productivity will increase fourfold or possibly fivefold, while a man will produce enough from his eighteenth to his twenty-eighth birthday to live in leisure and comfort during the remainder of his life.

Distribution of Product.—Fourier was far less thoroughgoing in his demand for the abolition of unearned income than was Saint-Simon or are modern socialists. From the product of industry, a sum is set aside for each member of the community. The surplus remaining is divided in a somewhat curious way between labor, capital and talent. Five-twelfths of this surplus goes to labor, four-twelfths to capital, and the remaining three-twelfths to talent. Thus the motto of Saint-Simon is modified into the formula: from each according to his capacity and to each according to his labor, capital and talent.

Fourier divided labor into three classes—necessary labor, useful labor and agreeable labor. The first received the highest reward, the last, the smallest, as it implied the least sacrifice.

Government.—Though there seems to be but little need of government under this system, officers are elected, the head of a phalanx being called an unarch, and the chief of the world phalanxes, an omniarch. The latter is to have headquarters at Constantinople.

The Family.—Different gradations in society would necessarily remain, although Fourier believed that under his system the rich and powerful would be so filled with the spirit of cooperation that their presence would bring no disharmony. The communal life would be such, he contended, that every narrow affection in the family would be eliminated, and it would find its own interest in that of all. The Fourieristic philosophy rather implied that the family and marriage would gradually tend to disappear.

His Millennium Imminent.—Fourier was for peace and against violence. He believed that one honest experiment in communal living according to the principles he laid down would be sufficient to convince the world of the correctness of his views. The millennium, he felt, would dawn

within the space of ten years. Why, then, the need of a violent revolution? So near did this good time seem that Fourier urged his followers not to put their money into real estate, as a Fourieristic advance would cause it to lose value! How many times since then have leaders of socialist and communist thought made similar predictions!

Fourier's Contributions.—Though Fourier's philosophy was fantastic at many points, he nevertheless did valuable service in calling attention to the wastes in the modern economic system, the unnecessary hardships of labor, and the need for devising some system which would make work pleasanter than it was in the France of his day. He also emphasized the value of machinery in doing the work of the world. His writings had considerable influence on factory laws and sanitary reforms.

Fourieristic Experiments.—Following Fourier's death, many men of wealth and ability came to his standard, including some of the disgruntled followers of Saint-Simonism. His disciples finally formed The Society for the Propagation and Realization of the Theory of Fourier. Several communities were started along the lines he laid down. All of the French experiments in pure Fourierism failed, although one or more communities, founded by manufacturers in accordance with Fourier's idea of a phalanstery for the workers, which took good care to ignore many of his more fanstatic suggestions, succeeded.[10]

In 1840, the Fourierist teachings were brought to America, and many of them secured the enthusiastic support of a brilliant group of thinkers, including Albert Brisbane, Horace Greeley, Charles A. Dana and others. Some thirty-four experiments were tried, but all failed for various reasons. That at Brook Farm in Massachusetts was the most famous.[11] Through these writers and experiments Fourierism, however, contributed its share to the social thinking of the new world.

[10] Godin, *Solutions Sociales*, Paris, 1871, p. 529.
[11] See Noyes, *History of American Socialism*, Ch. XI.

Louis Blanc and His Social Workshops

Life of Blanc.—The first utopian socialist to attempt to use the political machinery of his own time to put his ideas into operation was Louis Blanc (1813–1882). Blanc was the first also to appeal to the workers rather than the privileged classes to effect the social transformation, and was in a sense a connecting link between the older utopians and the Marxian socialists. He was utopian in that he felt that the impossible of his generation could in that generation become a reality.

Blanc was born in Madrid, Spain, where his father had been sent by Louis Bonaparte as Inspector General of Finance. He passed his early years in Corsica, the home of his mother, studied in the College of Rodez, and continued his studies in Paris, earning part of his expenses by copying and teaching. After several years of editorial work, he founded, at the age of twenty-six, the *Revue du Progres,* which became the organ of the advanced democrats of his time. It was in this paper that his most important socialistic work, *Organisation du Travail,* appeared serially in 1840.

During the ensuing years he wrote excellent histories of the years 1830 to 1840, and of the French Revolution. He became a prominent member of the Provisional Government of 1848. As such, he demanded that the government guarantee work to everyone unable to obtain it elsewhere,[12] and that it create a Ministry of Labor and Progress. He was afterwards forced to leave the country on account of alleged connection with an insurrectionary movement and resided in England as a correspondent until the overthrow of Napoleon III in 1870. In 1871, on returning to France, he was elected to the National Assembly as a member of the extreme left, but, during the rising of the Commune of Paris, lost popularity with the revolutionists by opposing the insurrection. He even supported

[12] For description of this measure see John Stuart Mill's essay, *The French Revolution of 1848, and Its Assailants,* Dissertation and Discussions (Am. Ed.), Vol. II, pp. 54-8.

the 1872 law against the International Workingmen's Association. Blanc died in 1882, and was voted a state funeral by the Chamber of Deputies. He possessed a brilliant pen, and was noted for his simple, generous and lovable disposition and for his fine integrity.

Development of Personality the Highest Aim.—Blanc was at one with many of his predecessors in emphasizing that human happiness and human development should be the goal of social effort. By development Blanc meant that everyone should have the requisite means for his highest mental, moral and physical growth and that each individual should have an opportunity to develop a well-rounded personality. How can society guarantee this sort of opportunity? It is not now guaranteed. The present competitive system means *bellum omnium contra omnes* (war of all against all). It pits every man against his brother. It renders man "the sole and exclusive judge of that which surrounds him, gives him an exalted sentiment of his rights without indicating to him his duties, abandons him to his own powers, and proclaims *laissez faire* as the only rule of government."[13] The result is want and misery. Society must be transformed into a more brotherly system, modeled after the human body, which is the work of God. All men should be regarded as common members of one great family, and government should be based on common consent.

The Social Workshop.—The first step in reaching the ideal society is to contrive some means whereby everyone shall be guaranteed work. This can best be attained through the erection of social workshops by the state, "destined to replace gradually and without shock individual workshops."[14] The poor cannot at present produce commodities without the capitalist because they do not own tools and machines necessary in production. These instruments should be furnished by the state, which would thus become the banker of the poor. The state should lend to

[13] Quoted from Louis Blanc, by H. Baudrillart in *Publicistes Modernes* (Paris, 1863), p. 308.

[14] Blanc, *Organisation du Travail*, 9th Edition, p. 13.

the workshops credit without interest, pass laws regulating their conduct and see that they are administered for the common good. During the first year it should select the administrators on the basis of ability, but after that the workers, who will have become better acquainted with each other, should have the power of selection. Thus the principle of workers' control would be established. Money for this venture should be secured by the state from general taxation and from revenues derived from the railways—which must become public property—and from such other public undertakings as mines, banks and insurance enterprises.

The workshops should be united into a great federation, and form an insurance company to cover the losses of any individual workshop, a part of the profits of each concern being set apart for an insurance fund. Capitalists should be welcome in these shops. They should be paid interest on their capital investment, and receive a wage for their labor. Private workshops should not be forced to join the federation, but inability to compete against these enterprises would probably lead sooner or later to a merger. With the disappearance of these private concerns the socialistic state would come into being. Such a state would assuredly be conducive to the best interests of the rich as well as the poor, for who can gain any contentment from an order, like the present, in which so many are doomed to lives of misery?

Service According to Capacity.—Blanc is not a believer in the equality of talents. He realizes that great differences exist in the powers and abilities of men. In the development of social industry the ideal to be attained is the placement of each individual in such a position that he may be able fully to use his capacities. However, he should not use them for his own aggrandizement or for the exploitation of others. For God gave them to man as a measure of his obligation to society. "They are but the supreme indication of that which each one owes to the society of which he is a member. . . . If you are twice as strong as your neighbor it is a proof that nature has

destined you to bear a double burden. If your intelligence is superior, it is a sign that your mission is to scatter about you more light. Weakness is a creditor of strength; ignorance of learning. The more a man *can*, the more he *ought;*[15] and this is the meaning of those beautiful words of the gospel: 'Whosoever will be chief among you let him be your servant.' Whence the axiom, From every one according to his faculties; that is one's DUTY."[16]

Reward According to Needs.—Man then should give according to his capacity. What should he receive? The Saint-Simonians declared, as we have stated, that the reward of labor should be commensurate with the work performed. Fourier would make a division among labor, capital and talent. Babeuf believed in absolute equality. Louis Blanc, however, rejected all of these formulae. They did not come up to a sufficiently high moral standard. The formula of the Saint-Simonians, he believed, would condemn the weak to extinction, and would give too great a handicap over their fellows to those who through no merit of their own, were born with superior ability.

Louis Blanc coined another formula: "From each according to his ability, to each according to his *needs.*" Each one should have that which he finds necessary to the development of his capabilities, limited of course by the ability of society to supply these needs.

"All men are not equal in physical force, in intelligence; all have not the same tastes, the same inclinations, the same aptitudes, any more than they have the same visage or the same figure; . . . but each one should be placed in a condition to derive the greatest possible advantage from his faculties, in so far as this can be done with due regard to others, and to satisfy as completely as possible, without injuring others, the needs which nature has given him. Thus there is no health or vigor in the human body unless each member receives that which is able to preserve it from pain and to enable it to accomplish properly its

[15] "We then that are strong ought to bear the infirmities of the weak." Rom. XV:1.

[16] Blanc, *Histoire de la Révolution de 1848,* Vol. I, pp. 147-8.

peculiar function. Equality, then, is only proportionality, and it exists in a true manner only when each one in accordance with the law written in some shape in his organization by God himself, *produces according to his faculties and consumes according to his wants.*" [17] Thus Blanc contributes an ideal of distinct merit in the sphere of distributive justice.

Misery the Great Materialistic Force.—Blanc, in defending his plan to guarantee employment and gradually to usher in a new order, resented the charge that his proposal was a materialistic one. He claimed that, on the contrary, it was laying the foundation for a nobler spiritual order, by eliminating the materialistic influence of misery. "Misery," he declared, "restrains the intelligence of man in darkness, in confining education within shameful limits. Misery counsels always the sacrifice of personal dignity and almost always demands it. Misery places him whose character is independent in a position of dependence, so as to conceal a new torment in a virtue and to change into gall what there is of nobility in his blood. If misery creates long suffering, it engenders also crime. . . . It makes slaves; it makes of the greater part thieves, assassins and prostitutes." [18]

Government Organizes Sham Workshops.—While the complete socialist state which he pictured could be brought about only gradually, Blanc felt that a start, through the establishment of a number of national workshops, could be made immediately. So, as member of the Provisional Government in 1848, he put forward this idea with great insistence. This was opposed by a majority of the politicians of the day, but they felt that some pretense at trying his scheme should be made in order to stop public clamor. Everything, however, they promised themselves, should be done to ensure failure. To make failure doubly sure, Emile Thomas, one of Blanc's worst enemies, was placed in charge. In appointing Thomas to his office, the Minister of Public Works wrote him that the experiment

[17] Blanc, *Organisation du Travail*, p. 72.
[18] *Ibid.*, p. 4.

could not have anything but good results, "because it would demonstrate to the laborers the emptiness and falseness of these inapplicable theories and cause them to perceive the disastrous consequences flowing therefrom for themselves, and would so discredit Louis Blanc in their eyes that he should forever cease to be a danger." [19]

Under these conditions, the workshops of necessity had but a short existence, and during that time their achievements were greatly misrepresented. Thus all hopes of an immediate start toward production for service vanished. Blanc's social principles, however, have had an important influence in later social thinking. In particular they have had their share in inspiring a number of recent experiments with public work with a view to alleviate the unemployed situation.

Proudhon

Place of Proudhon.—The last French revolutionary writer of this period is Pierre-Joseph Proudhon (1809–1865).[20] He is difficult to classify. His frontal attack on private property—the most direct made up to his time by any revolutionist—and his condemnation of the class of private proprietors, put him in the ranks of militant revolutionists, and men and women of all schools of thought have for generations drawn inspiration from his teachings. His bitter denunciation of all government and authority, and his ridicule of the fantastic utopian plans of his predecessors, seem to place him squarely, however, outside the school of utopian socialists and communists, and into the ranks of anarchists. On the other hand, his belief in absolute equality smacks distinctly of the communist philosophy, and it is indeed doubtful whether such equality as Proudhon advocates could be carried out except under a pretty thoroughgoing authority armed with drastic power of interference in the affairs of men. It may be

[19] Quoted in Ely, *op. cit.*, p. 113; *Lorenz von Stein,* III, S. 292; E. Thomas, *Histoire des Ateliers Nationaux.*

[20] For a complete edition of Proudhon's works, see Sainte-Beuve, *P. J. Proudhon, Sa Vie et Sa Correspondance* (Paris, 1875).

added that his concrete plan for initiating his system of free association appeared so utopian to the people of his day that it received but 2 out of 693 votes in the Assembly of 1848.

His Life.—Proudhon was born in Besançon, the birthplace of Fourier, thirty-seven years after the birth of the great advocate of the phalanx form of human association. His parents were poor, and young Proudhon earned his way through school by taking care of cows, acting as a waiter in restaurants, and at similar occupations. At school he earned numerous awards, and the story goes that he would arrive home loaded with prizes to find no dinner awaiting him. At nineteen, he was obliged to leave college and became a printer, but continued his education, absorbing particularly the contents of volumes on theology printed by his firm. Subsequently he received a pension of 1500 francs from the Académie de Besançon, given to promising students in the field of literature and science.

In his letter to a distinguished literary man at that time, he complained that no one, in congratulating him on his honor, had come to him and said: "Proudhon, you ought before everything else to devote yourself to the cause of the poor, to the enfranchisement of the little ones, to the instruction of the people. You will perhaps be an abomination to the rich and powerful; pursue your way as a reformer regardless of persecutions, of calumny, of sorrow, and of death itself." On the other hand, all had felicitated him on the ground that he was almost certain to "obtain honors equal to those which the Jouffroys, the Pouillets, have obtained, and perhaps . . . even greater." [21]

In 1840, following a course of study in political economy, he wrote his famous book, *Qu'est-ce que la Propriété?* ("What is Property?"). It is a pioneer work attempting to prove the iniquity of private property *per se;* it expounds the doctrine of labor time as a measure of value—a doctrine which subsequently did such service in the socialist movement—and provides a philosophic background for the anarchist movement.

[21] Ely, *op. cit.,* pp 126-7, quoted from Sainte-Beuve, *op. cit.*

Six years later he published his *Système des Contradictions Economiques ou Philosophie de la Misère,* in which he criticized socialist and communist theories, but failed to formulate a constructive philosophy.

He took no part in the Revolution of February, 1848, contending that, as all forms of government were bad, it did not matter which faction triumphed. When the political revolution had passed, he was elected by a large majority to the Constituent Assembly of the Department of the Seine, and urged his scheme for so organizing the credit of the country that all would be furnished with the instruments of production—a plan which, as has been stated, was defeated by an overwhelming vote of 691 to 2. He then tried to develop the plan without state aid, and organized a private bank for that purpose, but, as he was able to raise only seventeen thousand francs out of the five million needed, the bank failed within a few weeks. Later Proudhon served three years in prison for breaking a censorship law, and, on his release, was again sentenced to a prison term for attacking the church. He escaped to Belgium, however, and returned to France in 1860, five years before his death.

Proudhon, while extreme in many of his statements, and without mercy for his intellectual opponents, was the soul of sincerity. He lived a life of simplicity and of self-sacrifice. He was devoted to his family, and often rebuked some of the early utopians for their immorality. As the years went on, his early bitterness against individuals softened somewhat. "Perhaps I was sometimes wrong," he wrote in his letter to his pensioners at Besançon, "in confounding in my indignation persons and things; at present I only know how to despise and complain. In order to cease to hate, it is only necessary for me to understand." [22]

"**Liberty, Equality, Fraternity.**"—In approaching the social problem, Proudhon sought to discover the science of society based on liberty, equality, fraternity. A perfect state, founded on these principles, he felt, could not be brought about overnight. The belief advanced by some of

[22] Preface to Proudhon, *Qu'est-ce que la Propriété?,* p. 5.

the utopian writers that society could be forced to adopt a ready-made scheme of social reform, he regarded as "the most accursed lie that could be offered to mankind."

Urges a National Bank.—Proudhon distinguished between the ultimate goal and the transition to that goal. As a step in bringing about his ideal society, he urged the organization of a great national bank from which the workers would be able to obtain the instruments of labor without price. The bank would issue paper money in the form of checks in exchange for commodities deposited therein. These checks would purchase anything else the production of which cost the same labor. The capital for the establishment of this bank was to be secured from taxation on property and a progressive tax on the salaries of government officials. The bank would organize branches in all parts of France, and would furnish gratuitous credit to all comers.

Interest, Proudhon contended, had a tendency to fall. Its normal rate was zero. With the assistance of the bank, its rate would actually become zero. It was then inevitable that rents and profits likewise would cease. As each one might obtain the instruments of labor from the National Bank without price, no one would pay interest to a private capitalist for their use. The laborer would receive all that he earned and the products he bought would cost him no more than they were worth. All men would be associated with one another on terms of equality. This was the highest form of association.

His Aim Anarchy.—Proudhon's ultimate society would possess several characteristics. In the first place, it would be devoid of government, for, he believed, "the highest perfection is found in the union of order and anarchy." The control of man by man is oppression. "Anarchy—the absence of master or sovereign—such is the form of government which we approach every day, and our inveterate habit of taking man for a guide and his will for law makes us regard it as a heap of disorder and an expression of chaos. . . .

"No one is king. . . . Every question of internal politics

ought to be solved according to the data of the Department of Statistics; every question of international politics is a question of international statistics. The science of government belongs of right to one of the sections of the Academy of Sciences, of which the perpetual secretary necessarily becomes the first minister; and since every citizen may address a *mémoire* to the Academy, every citizen is a legislator; but as the opinion of no one counts except insofar as it is demonstrated to be true, no one can substitute his will for reason—no one is king."[23]

"**Property is Theft.**"—In the second place, Proudhon's ideal society would contain no private property, which he regarded as theft. Economists try to justify the existence of private property on two grounds, first, that of occupation; second, that of labor. If we analyze both these arguments, we find that neither of them proves its case. According to the so-called occupation theory, that which belongs to no one becomes the property of him who takes possession of it. This theory thus makes private ownership depend on nothing more nor less than the accident of birth. Your possessions depend on the number of people in a country, the extent of that country and the time of your arrival on the scene. Late comers, according to this theory, have no rights. The theory also defeats itself. It assumes that at one time property was held in common, for, if property occupied at one time belonged to no one, it must have belonged to society-at-large. But it is folly to think that all of society would or could renounce title to their common possession. Therefore, in taking it from the community, the occupier must have committed theft.

The second argument of the economists is that the basis of private property is labor. But in answer to this contention, it may be said that that only is mine which I produce. The earth is mine only so long as I cultivate it. The moment another labors thereon, it becomes his private property. "Again, labor presupposes the instruments of labor, and where is one to obtain these in a system of private, personal property, provided one does not already

[23] *Œuvres Complètes*, Vol. I, pp. 214-17.

possess them? The theory of labor demands the abolition of property, in order that everyone may have free access to the soil and to the instruments of labor.'' [24]

Labor Theory of Value.—Not only is property theft, but the proprietor is a thief. This conclusion Proudhon arrived at as a result of his labor theory of value. The worth of goods, he maintained, was measured by the time and labor put into their production. If a capitalist or landlord added ten per cent. to the cost thereof, the goods were thus made to cost more than they were worth, and the proprietor thus became a robber.

Favored Private Possession.—While Proudhon condemned private property, he was not opposed to private possession, providing it was secured by labor. But one should not rob another by charging for the use of the instruments of labor, by exacting rent, profit, or interest. In his emphasis on private possession, he opposed communism where the community was ''proprietor not only of goods, but of persons and wills'' and where labor, which ought to be a condition imposed by nature, became ''a human command, and thereby odious.''

He took issue with communists on the ground that their system would lead to the oppression of the strong by the weak. His aim was not primarily to bring to men equality of compensation, but equality of means for producing wealth. And yet, where each one possessed the instruments of labor, he seemed to be of the opinion that each would labor equally, and that the products, being measured by labor time, would be equal in value. Furthermore, he opposed giving higher remuneration to superior brains, providing society had contributed to the worker the means of doing his work. On this point he observed:

''When the astronomer produces observations, the poet verses, the savant experiences, they consume instruments, books, travels, etc.; now, if society provides for this consumption, what other proportionality of honors can the astronomer, the savant, the poet demand? Let us conclude, then, that in equality, and in equality, alone, the adage of

[24] Quotation of Ely, *op. cit.*, p. 133.

Saint-Simon, 'to each one according to his capacity, to each capacity according to its works,' finds its full and complete application.'' [25]

Proudhon also, ignoring the teachings of heredity, looked forward to a time in which ''the present inequality in the talent and capacity of men would be reduced to an inappreciable minimum.'' [26]

Are Anarchy and Equality Consistent?—In advocating both anarchy and absolute equality, Proudhon confronted himself with a dilemma and failed to answer it. Suppose that each cultivated the fields as he wished under Proudhon's non-authoritarian system, without any outside interference, ''Can anyone suppose,'' asks Professor Ely, ''. . . that all would derive the same products from the same instruments? . . . What is to prevent my accumulating labor receipts if my production exceeds my consumption? Or shall the state or some outside body prevent my taking more than I consume from the magazines or banks, whatever they are called? If so, do we not have all the interference and control of the hated community? It is thus seen that Proudhon is inconsistent as well as paradoxical.'' [27]

Summary.—A social organization without government, without private property, without inequality, was therefore negatively Proudhon's ideal. Of positive, constructive elements his philosophy contained but few. He did not think that any one was capable of working out a future state in any detail. He believed primarily in enunciating general principles, and in trying to apply those principles to concrete steps. He was an intense believer in liberty, in equality. He did not show us how each of these principles could be worked out systematically without interfering with the other. But his ideal of free association, his desire to give scope to the development of human personality are as a breath of fresh air in contrast to the myriad of state regulations of individual conduct which many of the pictured utopias imply.

[25] Proudhon, *Qu'est-ce que la Propriété*, p. 157.
[26] Quoted in Kirkup, *History of Socialism*, p. 55.
[27] Ely, *op. cit.*, p. 140.

After Proudhon the scene in revolutionary thinking and action shifts from France to other parts of the world, and it is some time before the French socialist or communist movement contributes anything of note to the world's revolutionary thinking.

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CHAPTER IX

THE FORERUNNERS OF ROBERT OWEN

Introduction.—As we have seen in the preceding chapter, it was revolutionary France of the late eighteenth and the early nineteenth centuries that produced the greatest of the utopian socialists. France, however, was not alone in contributing to this important school of social thought. England followed with Robert Owen as its most conspicuous example.

But between the end of the seventeenth century, where we left England earlier in our book, and the days of Robert Owen, many men of fine social idealism and far-reaching social vision appeared in England, and added their contributions to the communist and socialist philosophies of their day. This was inevitable. For it must not be forgotten that while France was passing through its spectacular and bloody revolutionary period, a revolution of even greater importance to social life—the great Industrial Revolution—had been going on steadily, relentlessly, grimly, in the British Isles.

Controversy Between Natural and Civil Law Continues.—The England of the eighteenth century necessarily inherited much from the social philosophies of the preceding centuries. Among other things it became the heir to the controversy regarding the relative advantages of the state of nature and the state of civil law. This, in the nature of the case, carried with it the discussion of communism *vs.* individualism.

Pope, Reconcilor.—One of the first to oppose communist conceptions was the poet Alexander Pope (1678–1744). In his *Essay on Man* (1734), Pope tried to reconcile the two states of society and to show that the unrestrained character of man's nature made an ordered society under civil

law a necessity. Man, he declared, should take a lesson from the ants, "how those in common all their wealth bestow, and anarchy without confusion know." They learned

> Order is heaven's first law; and this confessed,
> Some are, and must be, greater than the rest,
> More rich, more wise.[1]

Edmund Burke.—Edmund Burke (1729–1799), thoroughly alarmed at the growing discontent of his period, also entered the lists of combatants against communism. In his *Vindication of Natural Society* (1756), which was supposedly written by Lord Bolingbroke, an upholder of the natural state, Burke attempts, through his superb irony, to demonstrate the absurdity of the arguments advanced in behalf of the natural state and the communist form of society, and to bring home to social reformers that their agitation was bound to lead to revolution. But he presented the indictment which was then being brought against the society of the day with such force and incisiveness that the book produced a most disturbing effect on many conservatives of the time.

Blackstone and Adam Smith.—Other noted opponents of the natural state were the great legal authority, William Blackstone (1723–1780), and the classical economist, Adam Smith (1723–1790). Blackstone, presupposing a primitive communism, declared that private property was demanded to guard individuals in their peace and security. The economist, Smith, though holding that, "in the original state of things . . . the whole produce of labor belongs to the laborer," took the position that the improvements in production stimulated by private ownership sufficiently justified its existence. It likewise justified the guardian of such ownership—the civil government.[2]

Wallace, Forerunner of Malthus.—While distinguished economists, statesmen and lawyers were calling attention to the virtues of private property, moralists were busy

[1] Pope, *Essay on Man* (1734), Epistle 3, c. 4-6; Epistle 4, c. 2.
[2] Adam Smith, *Wealth of Nations*, Bk. 5, Ch. I, Pt. II.

pointing out its iniquities. One of these was Robert Wallace, the progressive preacher of the royal chapel of Edinburgh. In his *Various Aspects,* Wallace drew a strong indictment against private property, on the ground that it rendered great numbers of poor the slaves and the beasts of burden of the rich; that, on the one hand, it led to overwork, and, on the other, to idleness, and that it did nothing to advance morality. These evils, he maintained, could only be remedied by the abolition of private property.

However, it must be admitted that there were a number of obstacles to the attainment of a communist state. The powerful minority would oppose any radical change, and only in time of revolution could men be lifted to a state of enthusiasm and a spirit of sacrifice sufficiently great to bring about the transition. Or a new order would have to be introduced by means of small, successful communistic experiments led by men of exceptional ability and demonstrating the truths of communism. But the chief obstacles to a communist state would be the problem of over-population. Under communism, men would incur no inconveniences in bringing up large families. The main check to the growth of population in the past would thus be thrown aside, and the population would then press so hard on the means of subsistence as to produce again a state of poverty. In this argument Wallace laid the foundation for the Malthusian doctrine, a doctrine which was utilized extensively by the conservative forces of the country.

Archbishop Paley Gives a Parable.—More vigorous than Wallace in his criticism of individualism was Archbishop William Paley (1743–1805). In his picturesque indictment of the immorality of private property, the archbishop declared:

"If you should see a flock of pigeons in a field: and if (instead of each picking where and what it liked, taking just as much as it wanted, and no more) you should see ninety-nine of them gathering all they got into one heap, reserving nothing for themselves but the chaff and the refuse, keeping this heap for one, and that the weakest,

perhaps worst, pigeon of the flock; sitting round and looking on all the winter, whilst this one was devouring and throwing about and wasting it; and if one pigeon more hardy or hungry than the rest touched a grain of the hoard, all the others instantly flying upon it and tearing it to pieces; if you should see this, you would see nothing more than what is every day practised and established among men."[3]

He agreed, however, with Adam Smith that private ownership possessed certain counteracting advantages, among them the increase of productivity, and improvement in the conveniences of life.

The Industrial Revolution Blackens England.—Archbishop Paley was the last outstanding social thinker in England who wrote in terms of the conditions before the industrial revolution. While the noted clergyman was setting forth the misery of the British people, great and impressive changes were taking place as a result of the significant inventions of the period 1760 onward. Factories were springing up in every part of England, and wealth was accumulating "beyond all credibility," . . . "and there," as Wordsworth puts it,

> Where not a habitation stood before,
> Abodes of men irregularly massed
> Like trees in forests—spread through spacious tracts,
> On which the smoke of unremitting fires
> Hangs permanent, and plentiful as wreaths
> Of vapor glittering in the morning sun.[4]

Until 1806 wages were high and employment plentiful. Then came unemployment and deterioration in the condition of labor. To adjust society to the great changes in the economic structure, "peace, watchfulness and social reform were necessary, instead of which came war, repression of the discontented elements, suspension of the Habeas Corpus Act, high treason trials, indiscriminate poor relief,

[3] Paley, William, *Moral and Political Philosophy*, 1785, Book 3, Pt. I, Chs. 1-4.

[4] Wordsworth, *Excursion*, Bk. 8.

and Malthus' population theory as a salve to the agitated conscience of the nation." [5]

Influence of Locke and Bentham.—The industrial revolution and its immediate aftermath inevitably gave rise to a group of socialist and communist thinkers. Some of them based their radical conclusions on the philosophic premises laid down by Locke in his treatise *On Civil Government.* Others argued from the premises laid down by Bentham. Locke, declared his socialistic followers, showed that common possession was natural. From this it follows that private property is unnatural, and should be abolished. Locke stated that labor was the title to property or wealth. If this be so, all deductions from the produce of labor in the form of rent, interest and profit are contrary to natural law. Nature, including human nature, is governed, maintained Locke, by divine laws. Therefore all reform should be directed to the restoration of, or be in harmony with, natural law.

The socialist followers of Bentham, who, for a time, supplanted Locke, argued from a somewhat different angle. Bentham had held that the real test of governments or other social institutions was: Do these institutions lead to the greatest good to the greatest number? The system of private property, the socialists stated, does not pass this test. For under it the mass of people are doomed to misery. It does not lead to security. For the worker is never secure in his product, but is compelled constantly to divide it up with the capitalist and the landlord. Common ownership is the only alternative.

Spence: Single Taxer.—The progressive speakers of the period of the industrial revolution may be divided, roughly speaking, into the agrarian reformers, forerunners of our single taxers, and the communist and socialist writers. Of the former group, Thomas Spence (1750–1814), William Ogilvie (1736–1813), and Thomas Paine (1737–1809) were the principal figures. Spence, a Scotch schoolmaster, originator of the single tax theory, was the first of this group. While he was an obscure school teacher, the

[5] Beer, *History of British Socialism,* Vol. I, p. 100.

corporations of Newcastle, Durham and other cities enclosed the commons, rented them out for agricultural purposes and divided the rent between the members of the corporation to the exclusion of the freemen. The latter brought action against the corporations, demanding their share of the rent. It was this controversy that decided Spence to fight for a fundamental change in land ownership, a plan of which he submitted to the Newcastle Philosophical Society in 1775. Spence assumed the existence of common land in the natural state. It is contended, declared Spence, that private property originated in agreement. But an agreement, to be binding, must be renewed with each successive generation. Had it been thus renewed? Neither he nor anyone else was aware of any such renewal. Besides, civil society came into existence to free man from burdens, not to impose new burdens upon him. Locke had defended private property on the ground of labor. The argument might hold true in the case of the manufacturer, but not in the case of the landholder, for no one could argue that the aristocracy had created the land. The land should be restored to its natural heirs, the people. It should be transferred to the parishes, and the latter should rent it out to farmers at a moderate rental, this rental to be the only form of taxes.

The real struggle of the people, he added some years later, was not about certain forms of government, but for "a system of society capable of delivering us from the deadly mischief of great accumulations of wealth, which enable the few rich, unfeeling monsters to starve whole nations." [6]

Spence sold his tracts on the streets, shocking the good members of the Philosophical Society thereby and scaring away his pupils. He was frequently arrested and imprisoned for his attacks on the government, but, unmindful of his own comfort, he kept constantly at his propaganda up to the time of his death in the hope that, through his panacea, the time would soon come when mankind would be virtuous, happy and wise.

[6] Thomas Spence, *Restorer of Society to its Natural State* (1801), Letter 14.

Ogilvie and Doctrine of Land Improvements.—Far keener but also more cautious in his practical suggestions than Spence was William Ogilvie, professor of humanity at Aberdeen University. Ogilvie declared that, by the operation of land monopoly, "the happiness of mankind had been for ages more invaded and restrained than by all the tyranny of kings, the imposture of priests, and the chicane of lawyers taken together, though these are supposed to be the greatest evils that afflict the societies of human kind."[7]

From natural law he gained two maxims, the first, that every man had an equal share in land; the second, "that every one, by whose labor any portion of the soil has been rendered more fertile, has the right to the additional produce of that fertility, or to the value of it, and may transfer this right to other men." And "whoever enjoys any revenue not proportioned to such industry or exertion of his own or of his ancestors, is a freebooter who has found means to cheat or rob the public. . . . The hereditary revenue of a great landlord . . . is a premium given to idleness."[8]

However, the Aberdeen professor believed that "great changes, suddenly accomplished, were always pregnant with danger and evil," and the immediate legislation suggested was of a mild nature. The land would be left in private possession, under his plan, but the rent would be determined by arbitrators.

Thomas Paine Proposes Inheritance Tax.—The third member of this school was Thomas Paine who, in his *Rights of Man*, distinguished between land and its improvements. The land itself, he maintained, belonged to the community. On the other hand, the value of land improvements belonged to the cultivator who created it. The community, as the owner of the land, must reclaim the ground rent in the shape of a ten per cent. inheritance tax, and divide the national fund thus obtained among the property-

[7] Ogilvie, *Essay on the Right of Property in Land* (1781), Pars. 28, 29.

[8] *Ibid.*, Pars. 10, 39.

less to compensate them for the loss of their natural rights! For this proposal, he was accused by Spence in his *Rights of Infants* (1797) of selling the people's birthright for a mess of pottage.

William Godwin and the Intellectuals.—The doctrines of Spence, Ogilvie and Paine may have appealed to certain elements among the masses, but in the fervid days of the French Revolution, they left the radical intellectuals cold. These had read the flaming words of Rousseau and of the Encyclopaedists, and "nothing else satisfied them than political anarchy, abolition of private property, absolute reign of reason, universal benevolence and joyful devotion to social duty and justice."[9]

This demand was eloquently expounded by William Godwin, unfrocked preacher of a journalistic turn of mind, who arose one morning in 1793, after writing his *Enquiry Concerning Political Justice,* to find himself famous.

Godwin Attacks Government.—Throughout, Godwin's social views were based on abstract theory. Man, he held, had no innate ideas of an either good or bad nature. He had but the passive capacity to receive sensations and the active capacity to reason. Reason turned sensations into thoughts. On thought depended moral action. If social institutions were based on justice, impressions, thoughts and motives would be good, and evil would be eliminated. Man would thus steadily improve. But government, originating in force and violence, strengthens evil by defending institutions that are based on injustice. It perpetuates inequalities, and binds men with the chains of authority. Government is evil, society is natural; government springs from our vices, society from our needs. Government can be abolished by equity and the common deliberations on general welfare, which is the law of reason.[10]

Private Property Must Go.—Government, however, is not the only institution that must be abolished if justice is to reign. Private property must also be eliminated, for it develops an inequality which fosters vanity and deprav-

[9] Beer, *op. cit.,* p. 114.
[10] Beer, *op. cit.,* p. 116; see Godwin's books on *Political Justice.*

ity among the rich and a slave status and immorality among the poor. It deprives the worker of leisure to cultivate his mind, and leisure is the real wealth of the nation. Economic justice would work a rare transformation:

"If justice reigned, a state of equality would prevail. Labor would become so light as rather to assume the appearance of agreeable relaxation and gentle exercise. Every man would have a frugal, yet wholesome diet; every man would go forth to that moderate exercise of his corporeal functions that would give hilarity to his spirits. None would be made torpid with fatigue, but all would have leisure to cultivate the kindly and philanthropical affections and to let loose their faculties in the search of intellectual improvements. How rapid would be the advance of intellect, if all men were admitted into the field of knowledge. And the moral progress would be as great as the intellectual. The vices which are inseparably joined to the present system of property would inevitably be eliminated in the present state of society where all shared alike the bounties of nature. . . . No man would be an enemy of his neighbor, for they would have no subject of contention, and, of consequence, philanthropy would assume the empire which reason assigns her."[11]

"**Each According to His Needs.**"—Godwin had no patience with the theory afterwards enunciated by Saint-Simon that each should be recompensed in accordance with his capacity. It is not just, he held, that one should receive a hundred times more than he needs, simply because he performs greater service. For no one has a right to superfluities. If one has ten loaves of bread, and another has none, common justice demands that the hungry should obtain from the well-to-do enough to appease his hunger. He approved, on the other hand, the formula afterwards adopted by Louis Blanc, "to each according to his needs." Godwin did not project a future utopia. He advocated no close communist society, but a community of free individuals bent on the development of their personality. He did not share the anxiety of Wallace regarding the over-

[11] Quoted in Beer, *op. cit.*, pp. 117-8.

population of the globe. Mind, he believed, was perfectly capable of controlling matter in this respect.

In his later editions Godwin, doubly convinced by the French Revolution of the futility of force, made it clear that he depended on reason and persuasion as the sole instrument for bringing in the new order. He even approved of the repressive measures which Mr. Pitt had introduced against some of his followers accused of inciting to violence in order to attain their ends.

The Poets Dream of Liberty—Wordsworth.—When Godwin's *Enquiry Concerning Political Justice* first appeared in 1793, William Wordsworth, Samuel Taylor Coleridge and Robert Southey were young men of twenty-three, twenty-one and nineteen years of age respectively. The book profoundly influenced the ideas of all of them.

Wordsworth had just returned from a trip to France, where he had become acquainted with the French revolutionists. He felt that the travails of the time presaged the moral rebirth of humanity, and hoped to see the establishment of utopia not on "some secret island, but in the very world, which is the world of all of us—the place where, in the end, we find our happiness or not at all." Of the period he writes:

> Bliss was it in that dawn to be alive,
> But to be young was very heaven!
> I had approached, like other youths, the shield
> Of human nature from the golden side,
> And would have fought, even to the death, to attest
> The quality of the metal which I saw. . . .
> I began
> To meditate with ardor on the rule
> And management of nations, what it is
> And ought to be; and strove to learn how far
> Their power or weakness, wealth or poverty,
> Their happiness or misery, depends
> Upon the laws and fashion of the State.

And when the terror of the revolution began to raise doubts in his mind regarding the quick realization of liberty and equality, Godwin's book came and taught him "to look through all the frailties of the world, and with

a resolute mastery . . . build social upon personal liberty.'' [12]

Coleridge and Southey.—Both Coleridge and Southey, students at Cambridge and Oxford, felt the same thrill, wrote dramas, hymns and odes to the new age. Thus Southey in Wat Tyler had the hero describe the early communism under natural law:

> No fancied boundaries of mine or thine
> Restrain our wanderings! Nature gives enough
> For all; but Man, without arrogant selfishness
> Proud of his heaps, hoards up superfluous stores
> Robb'd from his weaker fellows, starves the poor,
> Or gives to pity what he owes to justice!

Coleridge was not satisfied, however, with poetic imaginings. He wanted to try the experiment in a higher liberty at once, and in 1794 he proposed to Southey the organization of a communist colony, ''Pantisocracy,'' where all-equality would reign. ''Oh! shall I have such a scheme of it! My head, my heart, are all alive. I have drawn up my arguments in battle array.'' [13]

Southey, the one who had property, decided, however, not to enter the partnership with Coleridge, who retorted, ''You are lost to me, because you are lost to virtue.'' [14]

Alas, however, Coleridge's ardor also soon cooled with the depressing reports from France, and the poets returned to a faith in the institutions of government. Southey remained anti-capitalist in spirit, and strongly denounced the manufacturers, as the cause of the people's misery.[15]

[12] William Wordsworth, *Prelude,* Bk. II; Cf., Leslie Stephens, *The English Utilitarians,* II, pp. 368-73.

[13] Coleridge, *Letters,* 1895, I, p. 81.

[14] Coleridge, *Letters,* 1895, I, pp. 137-51.

[15] Southey, *Letters from England* (1807), I, pp. 306-8; II, pp. 139-44; III, pp. 114-19, 132-4.

''If religion were out of the question,'' Southey wrote later in 1807, ''it would have been better for them (the lower classes) to have been born among savages than in a civilized country, where they are in fact the victims of civilization. If the manufacturing system continues to be extended, increasing as it necessarily does the number, the misery, and the depravity of the poor, I believe that a revolution must come and in the most fearful shape.'' (See *Letters I,* pp. 306-8, II, p. 157, III, pp. 132-3.)

Wordsworth, to the end of his life, expressed his sympathy with the masses, though Coleridge developed into a conservative.

Charles Hall Analyzes Class Struggle.—As we round the eighteenth century and begin the nineteenth, we find increasing emphasis laid on the struggle between the working and capitalist classes. This emphasis is especially marked in the writings of Charles Hall, a British physician. Hall was the first to attempt to demonstrate by statistics the great injustice of the profit system, and to interpret the growing discontent of labor. In his *Effects of Civilization* (1805), he criticized so-called civilization for the division of society into rich and poor. The life of the poor was a short and difficult one, devoid of proper physical or mental care. Wealth possessed more than kingly power over the lives of the many. "The situation of the rich and the poor, like the algebraic terms of plus and minus, are in direct opposition to and destructive of each other." [16] Eight-tenths of the population receive one-eighth of the wealth, while two-tenths who produce nothing, receive seven-eighths. In other words, a workingman labors seven days for the capitalist to one for himself, his wife and children.[17] As the Latin verse goes, "You make the honey, but not for yourself, bees; You make the land fruitful, but not for yourself, oxen." [18]

Economic Causes of War.—Hall's economic analysis of the causes of war sounds as if it had been made but yesterday. Wealth, he contended, is one of the most potent causes of international warfare. For the object of war is to increase trade and territory, and to repress internal revolutionary movements provoked by the lust of the rich for power. The rich see that the poor are taught the so-called glories of war, not its seamy side of suffering and death. What power the wealthy must possess, that they are able to stifle reason and morality, and induce man to murder his fellow man!

[16] Hall, *Effects of Civilization*, pp. 53-4.
[17] *Ibid.*, pp. 94-6.
[18] "Sic vos non vobis mellificatis, apes;
Sic vos non vobis fertis aratra, boves."

Hall, however, took no stock in the belief that the present order resulted from any conscious conspiracy. It resulted logically, he felt, from the division of land into great estates. Such division led to inequalities and to subsequent investment in manufacture and commerce. With the rise of the factory system, the poor became even poorer than formerly. The remedy was the nationalization of land, its occupation by small farmers, and the making of agriculture the basic industry. It was the critical analysis of Hall, however, rather than his constructive proposals, which made his work significant. We find in him a connecting link between revolutionism based on natural law, and proletarian socialism.

Colquhoun on "Who Gets England's Wealth?"—Two other writers who, while not radicals, influenced the thought of the incipient socialist movement of the day, were Patrick Colquhoun and David Ricardo. Colquhoun, jurist, municipal administrator, business man, was the first to describe to England of what its economic life consisted. In 1814 he published his *Treatise of the Wealth, Power, and Resources of the British Empire,* in which he told statistically the story of the wealth of the British Isles and how that wealth was distributed. After analyzing the official documents to which he had ready access, he concluded that the higher and lower nobility received from 200 to 400 pounds a person per year, while, on the other hand, the agricultural and industrial workers and their families obtained on the average about 11 pounds a person per year. These figures were used extensively by socialists and others to prove the inequity of the existing order.

Ricardo: Theories of Value and Wages.—Ricardo, though a staunch upholder of things as they were, elaborated, in his abstract system of distribution, two theories at least which proved grist for the socialist mill. One was his labor theory of value. According to this theory the exchange value of a commodity arises from labor, and is measured by the quantity of labor necessary to produce the commodity, or rather the quantity necessary under the most unfavorable circumstances of production. The sec-

ond was his theory of wages, according to which wages are not determined by the product of the worker, but by the amount of food, clothing, shelter and certain conveniences which the worker must have in order to live and to perpetuate his race without increase or diminution.[19]

Socialistic writers for years accepted these theories as correct statements of economic relationships under the capitalistic regime, but protested that if labor was the basis of wealth, and if the workers received under the most favorable circumstances only enough to keep them alive and to produce the next generation of workers, there was something fundamentally wrong with the system.

Shelley.—It was in this spirit of protest that Shelley (1792–1822), the young revolutionary poet of the period, addressed the people:

> The seed ye sew, another reaps;
> The wealth ye find, another keeps;
> The robes ye weave, another wears;
> The arms ye forge, another bears.

Reaction from French and Industrial Revolution.—The revolution in France and the industrial revolution in England gave rise not only to the protest of occasional social reformer, but to those of numerous groups of working men, the forerunners of the modern labor movement. These groups came into constant clashes with the government, who, terrorized by the French Revolution, decided to put down with a ruthless hand any signs of a violent upheaval in England.

The London Corresponding Society.—Among the first of these working class groups was The London Corresponding Society (L. C. S.). The program of this society was democracy and social reform; the leaders, Thomas Hardy (1752–1832), a Scotch shoemaker, and John Thelwall (1764–1844), orator and poet. The L. C. S. was formed in 1792, and at once began its agitation among the masses. Its connection with the French Convention, and its insurrectionary activities soon brought on it the strong arm of the government. The leaders were arrested and tried for

[19] Beer, *op. cit.*, Vol. I, pp. 155-9.

high treason, but, due to the defense of Erskine, they were acquitted. In his undelivered speech prepared for his own defense, Thewall presented the challenge of his organization:

"If, once in every year, the poor man's vote were as important as the employer's, the poor could not be forgotten. But it is property, we are told, that ought to be represented, because by property government is supported. What? Does property man the navy or fill the ranks of the army? . . . Property is nothing but human labor. The most inestimable of all property is the sweat of the poor man's brow; the property from which all other is derived, and without which grandeur must starve in the midst of supposed abundance. . . . Man and not immovables is the object of just legislation. All, therefore, ought to be consulted where all are concerned, for not less than the whole ought to decide the fate of the whole. . . . The few are . . . the owners of the life and liberty and possessions of the many." [20]

Universal suffrage, to be used in obtaining economic justice, was thus among the chief demands of the society. The organization continued its work for several years longer. However, by the Corresponding Act of 1799, which prohibited all communication between political societies—so panicstricken had the ruling class become at the time as a result of the French Revolution—the Society was finally suppressed.

Prophets of Coming Revolution.—The government knew how to suppress the discontented, but not how to eliminate the evils which produced discontent. The effects of unrestricted individualism under the developing manufacturing system became so tragic for great masses of the people as to lead to frequent prophecies of revolution. "If the manufacturing system continues to be extended, increasing as it does the number, the misery, and the depravity of the poor," declares Southey in 1807, "I believe that a revolution must come, and in the most fearful shape." [21]

[20] Quoted in Beer, *op. cit.*, pp. 124-5; see Cestre, Charles, *John Thelwall*, 1906.

[21] See Southey, *Letters* II, p. 157; III, pp. 132-3.

"The great body of the nation," declared the *Edinburgh Review* three years later, "appear to us to be divided into two violent and most pernicious factions: the courtiers, who are almost for arbitrary power; and the democrats who are almost for revolution and republicanism. . . . If the Whig leaders do not first conciliate and then restrain the people . . . the Constitution itself, the Monarchy, and the Whig aristocracy will, in no long time, be swept away. . . . The nation is on fire at four corners." [22]

The Destruction of Machinery.—Revolution did not take place but the cities seethed with protesting groups. At first, the workers organized groups bent upon the wholesale destruction of machinery. Groups of workers, known as Luddites, embittered at the misery which came in the wake of machinery, felt that the remedy lay in its destruction and in the return of the good old days of the past. This sabotaging led only to the passage of severe laws against the destroyers, and, in 1813, to the execution on the gallows of nearly a score of workers.

Demand for Suffrage.—Many social reformers endeavored to show the futility of these destructive tactics. Among the most prominent of these was William Cobbett, the democratic editor of the popular weekly, *The Register*. Nothing, he declared, can be achieved by smashing the instruments of production. The only remedy for oligarchic rule, heavy taxation, debased currency and the Corn and Combinations Acts passed against the workers, is a popularly elected Parliament. This belief took root. Universal suffrage became the demand of increasing groups among the middle class and the workers, who made their demands heard through numerous weeklies, public meetings and societies.

The spirit of the agitation of that period may be indicated by the resolutions of the Female Reform Association at Blackburn in 1818:

> By means of the improvement of machinery, the means of producing most articles of agriculture and manufacture has been increased in an astonishing degree; it necessarily follows that the industrious laborer ought to have a far greater quantity of the

[22] *Edinburgh Review*, 1810.

produce than he had previous to those improvements; instead of which, by means of taxation and restrictive laws, he is reduced to wretchedness. . . . No man can have a right to enjoy another man's labor without his consent. And we contemplate with horror the number of placemen and pensioners, whilst at the same time we live in poverty, slavery, and misery. We protest against those unjust and unnatural regulations—the Corn laws and the Combinations Acts. We demand universal suffrage, annual Parliaments and the ballot.[23]

But the government considered agitation for suffrage as dangerous as the smashing of machinery, and on the excuse of rioting at St. Peter's Field, Manchester, in August, 1819, it passed the Six Acts which put a stop for some time to public agitation in England. Demonstrations, however, continued in Scotland, where a number of unions were organized in the manufacturing districts. "The devil seems to have come among us unchained," wrote Sir Walter Scott, concerning the agitation and organization of these days. "In Glasgow, Volunteers drill by day and radicals by night, and nothing but positive military force keeps the people under."[24]

In 1820 the leaders of the agitation posted proclamations on the walls of many Scotch houses in manufacturing towns, calling on the people to stop work until universal suffrage was granted. "Equality of rights" (but not of property) was the shibboleth. Many struck. Some took up arms and were arrested or wounded in skirmishes with the military. Andrew Hardie, forbear of James Keir Hardie, and two others were convicted of high treason and executed.

Followers of Spence.—In the meanwhile, other groups were conducting propaganda along different lines. One was the Spencean Philanthropists, as the followers of Thomas Spence were called. They were divided into four groups of ten persons each, and gave the impression through their activities that they controlled the working class movement. They urged that the land be returned to the people. They denounced the Napoleonic Wars on the ground that they but served the interests of Russia. They organized demonstrations, some of which led to rioting. As

[23] *Black Dwarf*, July 14, 1819.

[24] Sir Walter Scott, *Familiar Letters*, II, p. 78.

in the case of the London Corresponding Society, the Luddities, and the advocates of universal suffrage, laws were enacted against the Spenceans on the ground that they were aiming at the confiscation and division of the lands, and the repudiation of the national debt. Most of the Spenceans dropped active agitation. Five of them, embittered by the governmental policy of ruthless suppression, abandoned peaceful methods of reform, and, with the help of government spies, organized the so-called "Cato Street Conspiracy" of 1820, and paid for their agitation with their lives. Thus was closed "one of the most agitated and terrible and at the same time mentally most active and prolific decades in British history."[25] Stirred by the spirit of the time, Shelley contributed *Queen Mab, Poems of the Times,* and *Prometheus Unbound.* These conditions produced also a new reformer of exceptional ability and understanding, Robert Owen.

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[25] Beer, *op. cit.*, p. 142.

CHAPTER X

ROBERT OWEN

The Times of Owen.—This, then, was the setting of the activities of Robert Owen, manufacturer, utopian, cooperator, "father of British socialism." The industrial revolution had completely transformed British industry, greatly increasing the wealth of England and heaping high the coffers of the manufacturers. For the workers, however, it meant unemployment, misery and starvation. Child labor in a most pernicious form had increased many fold. The old personal relations between master and worker had been dissolved, labor was being brought together in large masses in factories and mills, and, in consequence, economic and political labor groups were springing up on all sides.

These organizations, in turn, were causing grave anxiety within the governing classes, who had visions of a repetition of a French Revolution on British soil. Resort was made to severe repressive, rather than remedial, legislation, as the best method of preventing open revolt.

"At this juncture," wrote Frederick Engels, "there came forward as a reformer, a manufacturer, a man of almost sublime and childlike simplicity of character, and at the same time one of the few born leaders of men."[1]

Owen's Early Life.—Robert Owen was born May 14, 1771, in North Wales, the son of a saddler and iron worker. Though an eager student, he had little schooling, and at ten years of age became an apprentice to a Stamford clothier. His employer fortunately had a well-selected library and young Owen spent much time in reading. At the end of his apprenticeship, he connected himself with several concerns in London and Manchester, where he did

[1] Quoted in Lockwood, *The New Harmony Movement* (Appleton, 1905), p. 46.

exceptionally well, and at the age of nineteen became superintendent of a large Manchester cotton mill, which employed some five hundred men. The goods manufactured by the mill soon commanded a fifty per cent. advance over regular market prices and Owen rose rapidly among the spinners of the country. "Indeed there is no reason to doubt that at this early age he [Owen] was the first cotton spinner in England, a position entirely due to his own capacity and knowledge of the trade."

Owen was soon taken into partnership, but later resigned, and associated himself with another well-established Manchester house. It was while on a business trip for this firm that he met his future wife, Miss Dale, and was induced by her to visit her father's cotton mill in New Lanark, Scotland. He and his partners afterwards bought this mill for $300,000.

He Transforms New Lanark.—Following the purchase of this mill, and his marriage to Miss Dale, Owen moved to New Lanark, and, on January 1, 1800, he started his work as superintendent of the newly bought mill. In the town of New Lanark there were thirteen to fourteen hundred families and several hundred pauper children. Theft, drunkenness and other vices were prevalent among the mill hands. Most of the families lived in one room, under most unsanitary conditions. Children worked long hours and had no opportunity for education.

Owen, spurred on by his former success, decided to give attention not only to the technical equipment of the mill, but also to its human equipment. He enforced strict sanitary rules. He established stores from which the workers could get their supplies at cost—a reduction of twenty per cent from the prices previously charged. He built decent houses. He kept a record of the conduct of his employees, which was used as a basis for promotion. He restricted drinking. He established kindergartens for the children of the operators and developed a general educational system.

During the depression of 1806, when the United States had placed an embargo on cotton from America, and his

mill had to close down, Owen established the startling precedent of paying the wages of his workers in full. As a result of these reforms, a remarkable transformation took place in the life of the workers, and the New Lanark community soon gained fame for its temperateness, cleanliness and intelligence. It became a mecca for students of social problems, statesmen and even for royalty, among them Nicholas, afterwards Czar of Russia.

Nor did the business suffer as a result of these innovations. The mills made more money for the owners than ever before. However, many of Owen's proposals required a considerable outlay. The partners complained of this and a new partnership was formed. Further disagreement arose, and, in 1813, Owen, backed by William Allen, Quaker, Jeremy Bentham, the philosopher, and other stockholders who were willing to take five per cent on their investment, bought the firm out at auction for nearly $800,000. When the books of the second partnership were balanced, it was found that the firm had made a profit during the previous four years, excluding five per cent paid on capital stock, of approximately the selling price.

Owen brought to completion his educational plans for his mill operatives with the opening of the New Lanark institute in 1816. Twelve years later, after further dissension in the ranks of his company on account of his unorthodox religious views, Owen finally left the business. Of the results of Owen's social experiments in this mill town, Mr. Griscom, an American traveler, who spent some time there, wrote:

> There is not, I apprehend, to be found in any part of the world, a manufacturing community in which so much order, good government, tranquillity, and rational happiness prevail.[2]

Happiness the Goal of Society.—Shortly after Owen assumed charge of the New Lanark mills, he began to show an interest in the larger social problems. In 1813, the year his new partnership was formed, he published the first of the essays which contained his social philosophy,

[2] Quoted in Lockwood, *The New Harmony Movement*, p. 52.

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ROBERT OWEN (1771-1840)

Essays on the Formation of Character. He elaborated his views in further essays published during the succeeding two years.[3]

In these and other essays Owen took, as the basis for his social philosophy, the thesis of his friend and business associate, Jeremy Bentham, that the aim of human society is the greatest happiness of the greatest number. Each individual should strive for happiness, both individual and collective.

"The primary and necessary object of all existence," he declared, "is to be happy. . . . But happiness cannot be obtained individually; it is useless to expect isolated happiness; all must partake of it, or the few will never enjoy it; man can, therefore, have but one real and genuine interest, which is to make all of his race as peaceful in character and happy in feeling as the original organization of nature of each will admit; . . . then will they be occupied in promoting to the greatest limit, their own individual happiness, . . . and the only contest among men then will be, who shall the most succeed in extending the happiness of his fellows."[4]

In the coming age, "to produce happiness will be the only religion of man; the worship of God will consist in the practice of useful industry; in the acquisition of knowledge; in uniformly speaking the language of truth; and in the expression of the joyful feeling which a life in accordance with nature and truth is sure to produce."[5]

Character Is Made for Man.—At present there are now but few happy individuals, while happy nations are unknown. What is the cause of this condition? Owen was a rationalist, and, as such, declared that the cause of the unhappiness of his day could not be found in the human will—since reason, not will, was the prime mover in human action—but in some error of belief. And the belief that is in error is that which teaches that man makes his own

[3] Reprinted in *Life of Robert Owen* (Autobiography) 1857, Vol. I, pp. 257-332.
[4] *The Book of the New Moral World,* Pt. IV, p. 54.
[5] *Ibid.,* Pt. II, p. 33.

character. This is utterly false, for a man's character is a product of the circumstances in which he is born, lives and works. Evil conditions breed evil men; good conditions develop good men. Today man is surrounded by conditions that breed selfishness, ignorance, vice, hypocrisy, hatred, war. If a new world is to be born, the first thing that must be done is to spread the truth concerning the formation of character, namely, that man's character is made for him, not by him. The acceptance of this truth will lay a foundation for a change in circumstances that will produce good characters.[6]

In fact, Owen claimed that "any general character, from the best to the worst, from the most ignorant to the most enlightened, may be given to any community, even to the world at large, by the application of proper means; which means are to a great extent at the command and under the control of those who have influence in the affairs of men."[7]

Power of Education.—By education the inhabitants of a community could be trained to live a perfect life. Education, according to Owen, should be universal and compulsory. It should begin by teaching children the principles of brotherhood, industry and character building. Being so trained, the child would realize the folly "of being angry with an individual for possessing qualities which, as a passive being during the formation of these qualities, he had not the means of preventing."[8] He would be filled with fine tolerance and good will and would desire to do good to all men.

Abundance of Wealth Also Needed.—An abundant supply of wealth was also a necessity to a proper environment. For without a surplus of wealth, the many must live in poverty, and poverty is a fertile field for many social and individual ills.[9] Fortunately the truth regard-

[6] See Podmore, *Robert Owen*, 2 Vols. (N. Y., 1917), Vol. II, p. 648.
[7] *Autobiography*, Vol. I, p. 226.
[8] *Autobiography*, Vol. I, p. 273.
[9] See Owen's pamphlets on *Observations on the Effect of the Manufacturing System, Report on the Poor, Memorial to the Allied Powers,* and *Report to the Country of Lanark,* written from 1815–20.

ing the development of character was now being widely disseminated, he declared, and, for the first time in history, wealth was being produced at a rate that could lift all above the poverty line.

Wants Employment Guaranteed.—The first step in the attainment of this ideal was the establishment of a labor bureau which would provide for the worker "perpetual employment of real national utility in which all who apply may be immediately occupied." [10] For, through continuous employment, "some of the circumstances which tend to generate, continue, or increase bad habits," would be eliminated.[11]

Owen during these days believed that great changes were in progress. "See the whole mass of men in full motion," he writes, "behold it momentarily increasing in vigor, and preparing, ere long, to burst its confinement." [12]

First Aim Ameliorative.—When Owen first undertook the task of creating a better environment for his countrymen, he did not have in mind any revolution in the relations of property. The evils he wished abolished were chiefly those of sweating, ignorance and enmity. He depended on private initiative, legislative action and education to eliminate social maladjustments. In 1813 or 1814, in his address to his fellow manufacturers, he called attention to the superior productivity of clean, well-kept, well-oiled machinery. "If, then," he declared, "due care as to the state of your inanimate machines can produce such beneficial results, what may not be expected if you devote equal attention to your vital machines, which are far more wonderfully constructed?" [13]

Campaign for Labor Legislation.—From 1815 to 1818 he devoted much of his energy and money to the promotion of legislation to alleviate some of the worst evils of the factory system. In 1815 he organized a conference of

[10] *Essays on the Principle of the Formation of Human Character,* p. 329.

[11] See Beer, *op. cit.*, Vol. I, p. 164 from *First Essay on the Principle of the Formation of Character.*

[12] See *Third Essay on the Principle of the Formation of Character.*

[13] *Life of Robert Owen,* Vol. I, pp. 260-1.

employers in Glasgow to protest against the heavy import duties on cotton and to consider means of improving conditions of labor.

In his speech before this gathering, Owen drew a dark picture of conditions among the workers, and declared that he would oppose with all of his faculties every attempt to extend the cotton trade which is "more injurious to those employed in it than is the slavery in the West Indies to the poor negroes," unless something is done at the same time to correct the evils it creates. He concluded: "Perish the cotton trade, perish even the political superiority of our country, if it depends on the cotton trade, rather than that they shall be upheld by the sacrifice of everything valuable in life." [14]

But Owen's plea was coldly received. Only his protest against the import duty on cotton found a responsive ear. During the next few years he issued literally tons of literature, urging that Parliament limit the number of hours in mills to twelve a day, including an hour and a half for meals; prohibit the employment of children under ten, and limit the workday of those less than twelve years of age to six hours a day. He also proposed the establishment of schools where reading, writing and arithmetic should be taught. Sir Robert Peel was chosen to introduce a bill embodying these demands. In 1819, the measure passed, but in such an emasculated form that it had little effect on labor conditions.[15]

Owen Turns Utopian.—It was in 1817 that Owen placed himself squarely in the ranks of utopian writers by his proposals for the solution of the problem of unemployment. At the end of the previous year, England for the first time in its existence had passed through a crisis which resulted not from scarcity but from overproduction. The

[14] Quoted in Lockwood, *op. cit.*, pp. 54-5.

[15] Owen always believed that he had been the main driving power behind that Act. On the other hand, Alexander Ure, whose knowledge of the history of the factory system was considerable, ascribed this law to the "strikes and turmoils" of the Lancashire cotton spinners in the years 1817–1818. Beer, *History of British Socialism*, Vol. I, p. 168.

demands for relief became so great that the House of Commons was finally forced to appoint a Committee on Poor Laws. Owen wrote a report for this committee,[16] and the succeeding year addressed another memorial to the Allied Powers assembled in a congress at Aix-la Chapelle.[17]

In these and other statements, Owen declared that, as a result of the introduction of machinery, the world was now being saturated with wealth. Machinery was also displacing manual labor. The wage bill of the country was being diminished, and the workers were unable to buy much of that which they produced. Commodities thus remained unsold in barns and warehouses. Only when consumption kept pace with production would unemployment and industrial crises be eliminated. However, this was not possible so long as private profit rather than social welfare was the goal of industry. If something radical was not done, he added, the workers would be goaded into fury and despair.

"We resemble individuals," he said, "standing upon the narrow causeway of a narrow abyss." And the tragic fact was that large masses of workers were being brought face to face with starvation because they had produced too much wealth!

"**Owen's Parallelograms.**"—The remedy, Owen maintained, was communism. But this must be applied gradually. A beginning should be made in the formation of villages of "unity and cooperation" for the unemployed. These villages were to have about one thousand to fifteen hundred acres of land and accommodate between five hundred and two thousand persons, who were to engage both in agriculture and manufacturing. They were to live in large buildings (quadrangles) built in the form of a square, situated in the center of each community, and containing common dormitories, dining rooms, libraries, reading rooms, schools, etc. Attractive gardens and playgrounds should be located within and without the quadrangle, while laundries, factories, farm buildings, etc., would be built beyond the outside gardens. Each family would live in a separate

[16] *Life of Owen*, Ia., pp. 53-63. [17] *Ibid.*, pp. 212-22.

apartment. It would have entire charge of its children until three years of age, when the latter would be given over to the community, to be educated. After that, the parents would be permitted to see their offsprings at meal times and at other proper intervals.

There would be within each community a large variety of occupations, chiefly agricultural, partly manufacturing, and the latest and best machinery would be used throughout. All except the children would be compelled to work at some useful task, and each community would be supervised by a qualified technician.

The communities could be established by individuals, parishes, counties or the state. They would be self-contained, independent economic units, combining the advantages of city and country, and in technical efficiency, economy of living, education and distributive justice, would be far superior to the industrial communities of Owen's day. While independent units, they would not, however, be isolated, but, "as the townships should increase in numbers, unions of them, federatively united, should be formed in circles of tens, hundreds, thousands, until they should embrace the entire world." Naturally the present states would become useless, and would be sloughed off. Poverty and exploitation would be unknown, and all would then work in the spirit of brotherhood and cooperation.

As Podmore reminds us, the whole picture which Owen painted of his ideal state was necessarily limited "by his nature, his personal experience, his environment, the whole circumstance of his times."[18] It was, in all probability, the basis of Fourier's phalanxes, conceived several years later by the great French utopian.

Owen's scheme, jocularly called Owen's Parallelograms, did not make any wide appeal. Even the London workingmen voted against the proposal at two public meetings held in 1817, on the ground that it was too paternalistic and would too greatly restrict individual action.

He Attacks Religion.—Owen regarded its defeat as due to the conspiracy of the churches and the political econo-

[18] Podmore, *op. cit.*, p. 646.

mists. In August, 1817, in the City Hall Tavern, he denounced, as gross errors, all religions as then taught and accused them of preventing mankind "from knowing what true happiness really is." This attack on a belief so firmly rooted in the life of the people alienated from him many of his followers, particularly among the middle and upper classes, and from this time onward his influence as a social reformer began to decline.

Appeals to Labor to Renounce Bitterness.—In 1819, he worked in London with untiring energy to raise enough money to start his experiments, but his efforts were unavailing. The same year he issued an *Address to the Workmen,* offering them his assistance in their efforts to emancipate themselves from poverty and ignorance, with the proviso, however, that they would accept his doctrine regarding human nature, and renounce all violence and all hatred against the ruling classes. The rich and the poor, the governors and the governed, he told them, had common interests, nor did the upper classes desire to keep the workers in subjection. The latter had within their grasp all of the means to emancipate themselves, but the knowledge of these means must be withheld from them until they realized that all classes were alike creatures of circumstances and that all bitterness was folly. Finally, they must realize that the past belonged to the era of irrationality, but that the future belonged to reason. Occupied as they were with Parliamentary reforms, the workers did not heed this appeal.

Labor Notes.—Owen then returned to Scotland, and twice ran for Parliament, but was defeated. In 1820, the County of Lanark asked him to recommend a remedy for unemployment. In his Report to this County, he reiterated his views on communism, and, in addition, being influenced by the currency discussions of the times, attacked the old form of circulating medium as one of the causes of misery. The remedy, he declared, lay in the adoption of human labor as the standard of value. A certain quantity of labor should constitute a unit of value and those performing labor should obtain a paper note signifying the

units of value they had produced. With this they could obtain other goods costing similar amounts of labor.

There was much confusion in his thinking on these questions. He believed that money and the standard of value were identical, whereas money but expressed the standard of value. He regarded gold and silver as artificial, not real values. "A discordant character was hereby imparted to his social economic reasonings which made itself felt in the course of development of the Owenite Movement."

Takes Communist Stand.—In 1821, Owen wrote his *Social System,* published a few years later, in which he took a completely communist position, which did not allow for any admixture of private property. In it he bitterly attacked the political economists who regarded the object of society as the accumulation of riches alone, and men as inanimate machines. Their praise of individualism and competition had led to the degradation of labor. They were unable to solve the question of distribution—the main problem before society. The main object of society should be the happiness of all, to be attained by the establishment of communities wherein both labor and distribution were equal. "With means thus ample to procure wealth with ease and pleasure to all, none will be so unwise as to have the trouble and care of individual property. To divide property among individuals in unequal proportions or to hoard it for individual purposes will be perceived as useless and injurious as it would be to divide air or light into unequal quantities for different individuals, or that they should hoard them." [19]

His "New Harmony" Colony.—Anxious to put some of his ideas into practice, he bought, in 1824, for 30,000 pounds, the Rappist community at Harmony, Indiana, containing 30,000 acres of land, and called it "New Harmony."

"I am come to this country," declared Owen in his opening address to the colony, "to introduce an entire new state of society; to change it from an ignorant, selfish system to an enlightened social system which shall gradually

[19] *The Book of the New Moral World,* 1836, Introduction xxi.

unite all interests into one, and remove all causes for contest between individuals.''[20] However, after three years of struggle, the experiment failed, carrying with it most of Owen's money, lost as a result. The adoption, in the second year of the experiment, of the principles of absolute equality of compensation, irrespective of effort or productivity, was one of the factors in this failure. A similar venture started in Orbiston, near Glasgow, in 1825, by a follower of Owen, met a similar fate.

Labor Exchanges.—But the failure of this and other colonies established after the Owenite pattern did not dampen Owen's ardor for social change. He returned to England, and we next find him fighting for a system of labor exchanges as a means of alleviating the wretched condition which prevailed in England during the early thirties. To these exchanges producers could take their goods, and receive in return vouchers or labor notes, stating the amount of labor time, in the form of commodities, that they had left on deposit. In return for these vouchers they could obtain at any time goods valued at a like amount of labor time. The labor bureau would ask a small commission for overhead expenses, but the exploiting middlemen would be entirely eliminated. He also urged the establishments of labor exchange banks in connection with these exchanges.

An organization was formed to agitate for this idea, headquarters were established in Gray's Inn Road, and the institute, as it was called, for some time met with considerable success, although its activities did not reach the very poor. It was in this institute that the Third Cooperative Congress was held in April, 1832, in which for the first time, the political socialists clashed with the non-political, cooperative socialists of which Owen had become a moving spirit. Other branches of the institute were established, and ''for a whole year Owen lived in a state of ecstasy,'' as the apparent success of this venture and the rapid growth of the cooperative and trade union movements during these

[20] Lockwood, *op. cit.*, p. 83.

months "were all considered harbingers of the imminent emancipation of the world from error and injustice." [21]

Plan to Combine Trade Unions and Cooperatives.—Touring England, he conceived the idea of uniting the trade unions and cooperative societies into a single organization "and of transforming them in a communistic sense so as to place the whole country on a cooperative basis." [22]

In October, 1833, at the conclusion of this tour, a conference of trade unions and cooperatives was held in London at his request to consider his plan for unity. Owen addressed the convention, full of enthusiasm. He maintained that the workers would be won over to the truths of cooperation within six months, and added: "I will only briefly sketch the outlines of the great revolution in preparation, which will come upon society as a thief in the night." [23]

The Owenite plan was simple. The trade unions would be made into cooperative societies, and would exchange their goods through labor exchanges. A general congress to sit in London would supersede Parliament and conduct the business of the country. All would be accomplished without violence or disorder.

Dream of a New Society.—The delegates worked harmoniously at this convention, and considerable progress was made toward the unity idea. *The Poor Man's Guardian* (October 19, 1832) was jubilant. A grand national organization of producers was in process of formation, it declared, with the sublime object of establishing "for the productive classes a complete dominion over the fruits of their own industry. Heretofore these classes wasted their strength in fruitless squabbles with their employers or with one another. They have never sought any grand object, nor have they been united in that which they sought. To obtain some paltry rise, or to prevent some paltry reduction in wages, has been the general aim of their turn-outs; and the best result of the best combinations, even when successful,

[21] Beer, *op. cit.*, p. 325.
[22] *Ibid.*, p. 326.
[23] *Ibid.*, p. 330.

was merely to secure their members against actual want in the day of sickness or of superannuation.

"These and the like objects were only worthy of slaves; they did not strike at the root of the evil; they did not aim at any radical change; their tendency was not to alter the system, but rather to perpetuate it, by rendering it more tolerable. . . . But far different from the paltry objects of all former combinations is that now aimed at by the congress of delegates. Their reports show that an entire change in society—a change amounting to the complete subversion of the existing 'order of the world'—is contemplated by the working classes. They aspire to be at the top rather than at the bottom of society—or rather that there should be no bottom and no top at all!"

Morrison, editor of the *Pioneer*, a trade union organ, declared that they had "now macadamized the road to success or, rather, we have laid a railroad to prosperity. . . . The crisis of our condition is at hand—close upon us. The contest affects all alike; and woe unto the man who deserts his post. The question to be decided is: Shall labor or capital be uppermost?"[24]

Demand for General Strike.—The convention was followed by feverish activity on the part of the labor unions, and, by the end of the following year, it was estimated that 800,000 operatives had become members of the unions. Many of these members, however, took little stock in the methods advocated by Owen for improving their conditions. A large number were captivated by the idea of the general strike. For instance, we find the Glasgow workers, on October 5, 1833, enthusiastically endorsing a general strike resolution. Their discussion at this meeting reads like a modern syndicalist manifesto:

> There will not be insurrection; it will simply be passive resistance. The men may remain at leisure; there is and can be no law to compel men to work against their will. They may walk the streets of fields with their arms folded, they will wear no swords, carry no muskets; they will present no multitude for the riot act to disperse. They merely abstain, when their funds are sufficient, from going to work for one week or one month; and

[24] *Pioneer*, October 12, 1833.

what happens in consequence? Bills are dishonored, the *Gazette* teems with bankruptcies, capital is destroyed, the revenue fails, the system of government falls into confusion, and every link in the chain which binds society together is broken in a moment by this inert conspiracy of the poor against the rich.[25]

Reaction.—This turn in events greatly displeased Owen, who regarded the salvation of the country as dependent on the cooperation of laboring and propertied classes. Capital, he insisted, was also a producer and deserved to be approached in a friendly spirit. As a means of bringing capital and labor together in a common effort at reform, he formed, on November 25, 1833, still another organization — the National Regeneration Society — and planned to have both employers and operators unite the following March in the introduction of the eight hour day. A fight ensued between the Owenites, with their message of peaceful cooperation, and the syndicalistic group who emphasized the inevitability of class warfare and who urged a general strike. This and other controversies within the movement and renewed opposition from a nervous employing class led to the temporary collapse of the trade union movement, however, and for some years it sank into relative unimportance, with the general strike and labor supremacy an unrealized dream.

Last Days.—During the last years of his life, Robert Owen was less in the public gaze. He, however, was far from inactive. He republished much of his earlier writings. He was active in the cooperative movement. He restated his views on national education, maintaining that "the great want of the world was a good training from birth, and a sound, practical education for all, based on true principles." And he gave considerable attention to international affairs and urged a federation between Great Britain and the United States to which all other nations should be admitted, and which should recognize it as a duty to terminate war "and live in the abundance of peaceful industry and friendly exchange."[26]

[25] *Glasgow Liberator* (*Trades Union Gazette*), Feb. 1, 1834; quoted in Beer, *op. cit.*, p. 333.

[26] Quoted in Lockwood, *op. cit.*, pp. 311-2.

In his eighty-sixth year he read a paper on the *Human Race Governed without Punishment,* before the Social Science Association of Great Britain, and the next year, while attempting to deliver another paper before the same association at Liverpool, broke down, was taken to his native town of Newton, and soon after died.

An Estimate.—The concrete achievements of Robert Owen during his lifetime did not make an impressive showing. His most important practical experiment in improving labor conditions was that undertaken during his days as superintendent of the New Lanark mills, an experiment that attracted world-wide attention. But when he lost touch with the industrial world, and as an unattached reformer made wholesale proposals for social changes, his efforts met with failure. His colonies did not succeed. The labor legislation which he and others were finally able to force through Parliament was comparatively ineffective. His labor exchanges did little practical good. His appeal to capital and labor to cooperate for the attainment of the eight-hour day and the reconstruction of society met with little response. He made the old mistake of thousands of social idealists before and since, in believing that the great changes of which he dreamed were right at hand. He inherited and propagated the fallacy, taught freely in his day, that reason was the prime mover in human action. He gave too little consideration to the forces of heredity in the formation of human character. And so little of an organized following had he gathered around him a decade before his death, that when the poet, Emerson, asked this most amiable, sanguine, and candid of men: "Who is your disciple? how many men possessed of your views, who will remain after you, are going to put them in practice?," Owen candidly replied, "Not one." [27]

And yet, despite his errors in judgment and the failure of many of his plans, the great hearted and lovable cotton manufacturer and communist did exert a profound influence on the social thinking of the world. His indictment of the present order of society for its waste, its injustices,

[27] Quoted in Lockwood, *op. cit.,* p. 310.

its tragedy of unemployment; his emphasis on social happiness as the ideal of human progress; his insistence that character was profoundly influenced by social environment; his urgent plea that all cooperate for the common welfare in the production and distribution of wealth, left their imprint on future generations. And his life of untiring devotion and sacrifice proved one of the great sources of inspiration to those who followed later in the socialist, cooperative and trade union movements, as well as those who worked in behalf of child training, of labor legislation, of prison reform and of similar causes.[28]

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[28] We cannot leave this portion of our history without making mention of the effect on the social thinking of the times of the writings of Thomas Carlyle (1795–1881), George Sand (1804–1872), Charles Dickens (1812–1884), John Ruskin (1819–1900), and Matthew Arnold (1822–1888), among others. While none of these may be classed as socialists, they did much to draw to the attention of the people of England the ugliness of the then industrial system and arouse in many a desire for social change (see Carlyle's *Sartor Resartus,* Dickens's *David Copperfield,* Ruskin's *Unto These Last, A Crown of Wild Olives* and *Ethics of the Dust*).

CHAPTER XI

UTOPIAN SOCIALISM IN AMERICA

Albert Brisbane.—America was the happy hunting ground for the experiments of the utopian socialists—Cabet, Owen, Fourier. The philosophy of these utopians also secured the adherence of a brilliant group of America's mid-nineteenth century intellectuals. Chief among these was Albert Brisbane, father of the journalist, Arthur Brisbane. Brisbane was born in 1809 in Batavia, N. Y., the son of a well-to-do landowner. He received a thorough education and traveled and studied extensively in Europe. While there he became acquainted with the works of Saint-Simon, and devoted much of his time and money to the propagation of his views. Shortly after Fourier's *Treatise on Domestic and Agricultural Association* was published, Brisbane obtained a copy. He became enthusiastic about it. "For the first time," he writes,[1] "I had come across an idea which I had never met before—the idea of *dignifying and rendering attractive* the manual labor of mankind; labor hitherto regarded as a divine punishment inflicted on man."

He went to Paris in 1832, studied the details of the system under the personal direction of Fourier, and on his return to the United States worked quietly in behalf of Fourierism until 1840, when he published his *Social Destiny of Man*. The book was a reprint of the striking passages from Fourier's works, accompanied by Brisbane's comments and illustrations.

Horace Greeley and Fourierism.—It met with instant success. Incidentally it proved one of the means of converting the famous newspaper man, Horace Greeley, to Fourieristic principles. Following his conversion, Greeley,

[1] Brisbane, Redelia, *Albert Brisbane, A Mental Biography*, Redelia Brisbane, Boston, 1893; see also Hillquit, *op. cit.*, p. 80.

as editor of the New York *Tribune*, entered into an arrangement with Brisbane whereby the latter was to edit a column each day on the theories and practice of Fourierism. This column, together with editorial comments, did much to advance the ideas of the French utopian. Greeley, who was long regarded as the foremost editor of his time, also gave unstintingly of his energy and means to forward this movement. His interpretation of Fourieristic principles is contained in the famous debate with Henry J. Raymond, then editor of the *Courier and Enquirer*, and later editor of the New York *Times*. The debate was printed in some 24 issues of the *Tribune* from November, 1846, to May, 1847. The earth and all natural products, contended Greeley, were, in the beginning, intended for the use of all. But "civilized society, as it exists today, has divested the larger portion of mankind of the unimpeded, unpurchased enjoyment of their natural rights. That larger portion may be perishing with cold, yet have no legally recognized right to a stick of decaying fuel in the most unfrequented morass, or may be famishing, and have no legal right to pluck and eat the bitterest acorn in the depths of the remotest wilderness.

"The only solid ground on which this surrender of the original property of the whole to a minor portion can be justified is that of the public good—the good not of a part, but of the whole." But the misery of mankind indicates that this dispossession of the people of their rights has not been for the common good. Tens of thousands are far worse off today than they would have been "if nature's rule of allowing no man to appropriate to himself any more of the earth than he can cultivate and improve had been recognized and respected by society. . . . But those who have been divested of an important, a vital natural right, are also entitled to compensation."

"The Right of Labor, secured to them in the creation of the earth, taken away in the granting of the soil to a minor portion of them, must be restored. . . . But the right to labor—that is, the constant employment with a just and full compensation—cannot be guaranteed to all without

a radical change in our social economy. . . . The ultimate and thorough remedy I believe is Association.

"By Association I mean a social order which shall take the place of the present township, to be composed of some hundreds or some thousands of persons, who shall be united together in interest and industry for the purpose of securing to each individual the following things: (1) an elegant and commodious house; (2) an education, complete and thorough; (3) a secure subsistence; (4) opportunity to labor; (5) fair wages; (6) agreeable social relations; (7) progress in knowledge and skill. As society is at present organized, these are the portion of a very small minority. But by Association of capital and industry they might become the lot of all; inasmuch as Association tends to *economy* in all departments, economy in lands, fences, fuel, household labor, tools, education, medicine, legal advice, and commercial exchanges. . . .

"The property of an Association will be vested in those who contribute the capital to establish it, represented by shares of stock, just as the property of a bank, factory or railroad now is. Labor, skill and talent will be remunerated by a fixed proportion of their product, or of their proceeds, if sold. Men will be induced to labor by a knowledge that its rewards will be a certain and major portion of the product, which, of course, will be less or more, according to the skill and industry of each individual. The slave has no motive to diligence except fear; the hireling is tempted to eye-service; the solitary worker for himself is apt to become disheartened; but men working for themselves, in groups, will find labor not less attractive than profitable. Moral offenses will be punished by legal enactment, and they will be rendered infrequently by plenty and education. . . ."

In reply to Raymond's contention that there was little difference between his proposed communities and the present form of ownership, and that "Association would be merely a plan for extending the relation of landlord and tenant over the whole arable surface of the earth," Greeley declared:

"By no means. The capital of a mature association would be, perhaps, half a million dollars; of an infant association, fifty thousand dollars; and this increase of value would be both created and *owned* by labor. In an ordinary township, however, the increase, though all created by labor, is chiefly owned by capital. The majority of inhabitants remain poor; while a few—merchants, landowners, mill-owners, and manufacturers—are enriched. . . . In Association those who furnish the original capital are the owners merely of *so much stock* in the concern—not of all the land and other property. Suppose that capital be fifty thousand dollars. At the end of the first year it is found that twenty-five thousand dollars have been added to the property by labor." For this amount new stock is issued in such a way "that when the property of the Association is worth half a million, capital will own about one-fifth of it. . . .

"Under the present system, capital is everything, man nothing, except as a means of accumulating capital. Capital founds a factory, and for the *single* purpose of increasing capital, taking no thought of the human beings by whom it is increased. The fundamental idea of Association, on the other hand, is to effect a just *distribution* of products among capital, talent and labor."

In answer to the contention that individual reform must precede social reform, Greeley again replies: "I am as well aware as you are that the mass of the ignorant and destitute are, at present, incapable of so much as understanding the social order I propose, much less of becoming efficient members of an association. What I say is, let those who *are* capable of understanding and promoting it, *begin* the work, found associations, and show the rest of mankind how to live and thrive in harmonious industry. You tell me that the sole efficiency agency of social reform is Christianity. I answer that Association *is* Christianity; and the dislocation *now* existing between capital and labor, between the capitalist and the laborer, is as atheistic as it is inhuman."[2]

[2] See Southeran, Charles, *Horace Greeley and Other Pioneers of American Socialism.* N. Y.: Mitchell Kennerley, 1915. Ch. V.

Greeley on Slavery.—Greeley's every speech contained some reference to the need for emancipation of labor, and he frequently urged the members of the typographical union of which he was first president to develop a larger social vision. Though he fought vigorously against chattel slavery in the South, he ever made clear that he considered that there were other kinds of slavery in the United States. "*I understand by slavery,*" he wrote to an anti-slavery convention in 1845, "*that condition in which one human being exists mainly as a convenience for other human beings*—in which the time, the exertions, the faculties of a part of the human family are made to subserve, not their own development, physical, intellectual and moral, but the comfort, advantages and caprices of others. . . . If I am less troubled regarding the slavery prevalent in Charleston or New Orleans, it is because I see so much slavery in New York, which appears to claim my first efforts."

Parke Godwin, associate editor of the New York *Post,* and son-in-law of its editor, William Cullen Bryant, was also brought into the inner circle of Associationists. In his *Democracy, Pacific and Constructive,* published in 1844, he urged that the existing townships be gradually transformed into Fourierist communities. In this pamphlet he showed a recognition of class divisions which brought him near to the position of the later socialists. He drew a strong indictment against the capitalist system. "Blind competition," he contended, "tends to the formation of gigantic monopolies in every branch of labor; it depreciates the wages of the working classes; it excites an endless warfare between human arms and machinery and capital —a war in which the weak succumbs; it renders the recurrence of failures, bankruptcies and commercial crises a sort of endemic disease; and it reduces the middle and lower classes to a precarious and miserable existence."

He drew frequent analogies from Greek mythology. The masses, he declared, "provoked by all that can gratify desire—yet unable to catch one jot or tittle of it—offer a terrible exemplification of Tantalus, tormented by an external hunger and thirst after fruits and water, always

within his reach, yet perpetually eluding his grasp. Was the penalty of Sisyphus, condemned to roll his stone to a summit, from which it was forever falling, more poignant than that of many fathers of families, among the poorer classes, who, after laboring to exhaustion during their whole lives, to amass somewhat for their old age or for their children, see it swallowed up in one of those periodical crises of failure and ruin which are the inevitable attendants of our methods of loose competition? Or the story of Danaides, compelled incessantly to draw water in vessels from which it incessantly escaped, does it not with a fearful fidelity symbolize the implacable fate of nearly two-thirds of our modern societies, who draw from the bosom of the earth and the workshops of production, by unrelaxing toil, floods of wealth, that always slip through their hands, to be collected in the vast reservoirs of moneyed aristocracy?''

But while pessimistic about his own times, he felt that a happier day was at hand; that the world was ''travailing in the birth-throes of a mighty and better future.'' [3]

Channing and Others.—William Ellery Channing, the great Unitarian minister, also showed sympathy during the last years of his life for the Associationists, and strongly denounced the existing order, the natural fruits of which were ''contempt of others' rights, fraud, oppression, a gambling spirit in trade, reckless adventure, and commercial revulsions, all tending to impoverish the laborer and to render every condition insecure.'' [4]

Charles A. Dana, afterwards editor of the New York *Sun;* George Ripley, later literary editor of the *Tribune* and editor of the *American Encyclopaedia,* and John S. Dwight, poet and music lover, were a few of the other Fourierites to join the inner circle.

During the early forties, numerous periodicals sprung up, devoted to this new social philosophy, extensive lecture trips were arranged, and Fourierism became the subject of public discussion among increasing thousands. The industrial crisis of that time and the general humanitarian

[3] *Ibid.,* p. 140.

[4] *Ibid.,* p. 121.

agitation that surrounded the anti-slavery movement also gave impetus to these teachings.

National Organization Formed.—As a result, several societies were formed to propagate the idea in the East and Middle West, and on April 4th, 1844, a National Convention of these societies was called at Clinton Hall, New York. George Ripley was elected president and among the vice-presidents were Horace Greeley, Albert Brisbane, Parke Godwin and Charles A. Dana. The Convention indorsed the phalanx as the one form of organization calculated to solve social problems, but warned against starting phalanxes with insufficient preparation or funds. A National Confederation of Associations was agreed upon, and the *Phalanx* was made the official organ of the movement. Albert Brisbane was appointed a committee to get into closer touch with the international movement.

The Brook Farm Experiment.—Of the experiments at this time, Brook Farm was the most famous and spectacular. In the thirties an informal group, called by their enemies a "Transcendental Club,"[5] met at irregular intervals in Boston for the purpose of discussing social and philosophical problems. George Ripley, William Ellery Channing, John S. Dwight, Margaret Fuller, Ralph Waldo Emerson, Henry D. Thoreau, Nathaniel Hawthorne, and Elizabeth P. Peabody were among its members. From religious matters they turned to social problems, and many of them urged the claims of the utopian socialists, and advocated the establishment of colonies which might prove the truth or falsity of these claims. Of this literary circle, Emerson wrote to Carlyle, "We are all a little wild here with numberless projects of social reform; not a reading man but has a draft of a new community in his waistcoat pocket."

Ripley, then a Unitarian minister, and an ardent devotee of the new doctrines, was particularly anxious to

[5] The interpretation placed on the word transcendental by the group was expressed by Ripley, "We are called Transcendentals because we believe in an order of truth that transcends the sphere of the external senses. Our leading idea is the supremacy of mind over matter." (Quoted in Hillquit, *op. cit.*, p. 96.)

submit his views and those of the group to a test. So in 1840 he resigned his post as Unitarian minister, and chose a 200-acre milk farm at West Roxbury, near Boston, for his proposed experiment. A group of about twenty—including Mr. and Mrs. Ripley, Dwight, Hawthorne, and William Allen, went there to live, and called it "The Brook Farm Institute for Agriculture and Education." Their ideal was a noble one. They desired to substitute "a system of brotherly cooperation for one of selfish competition; to secure for our children and to those who may be trusted to our care, the benefits of the highest physical, intellectual and moral education which, in the present state of human knowledge, the resources at our command will permit; to institute an attractive, efficient and productive system of industry; to prevent the exercise of worldly anxiety by the competent supply of our necessary wants; to diminish the desire for excessive accumulation by making the acquisition of individual property subservient to upright and disinterested uses; to guarantee to each other the means of physical support and of spiritual progress, and thus to impart a greater freedom, simplicity, truthfulness, refinement and moral dignity to our mode of life."[6]

In pursuance of these aims they maintained a uniform rate of compensation for all labor; a maximum work day of ten hours; free support of children under the age of ten years, of old persons and of the sick; and free education, medical care and use of the library and bath. They furthermore stipulated that all persons be provided with employment according to their taste and ability.

The community's administration was entrusted to four departments: General Direction, Agriculture, Education and Finance. In its school an unusually wide range of sciences and arts were taught. While the working hours were many, and leisure was scarce, the residents enjoyed an attractive social life. Dances, music, literary and scientific discussions were provided for the leisure hours, and such visitors as Greeley, Brisbane, the Channings, and Theodore Parker paid frequent calls.

In 1844, following the National Convention of associa-

[6] Quoted in Hillquit, *op. cit.*, p. 97.

tions, Brook Farm became a full-fledged Fourieristic experiment, was renamed the "Brook Farm Phalanx," and came to be the very center of Fourieristic activity in the United States. The official organ of the Fourierists, *The Harbinger,* was transferred to the Farm, in editorial charge of Ripley, Dana and Dwight. Lowell, Whittier, George William Curtis, Parke Godwin, Higginson, Storey, Channing, Greeley, and others contributed to it. And from this center journeyed many a distinguished lecturer to tell the good tidings to other parts of the land.

In 1846, the Farm was beginning to prosper financially and the residents were living in anticipation of the completion of the unitary phalanx building, the most pretentious of their edifices. But just as the structure was nearing completion, an accidental fire broke out, and the building was burned to the ground. Coming as this misfortune did at a time when the movement was waning in other parts of the country, it proved fatal to the experiment, and, in the autumn, little of Brook Farm remained but a memory of noble ideals and self-sacrificing devotion.

Other Experiments.—In some ways the most important of the Fourieristic experiments was the North American "Phalanx," developed by a number of idealists of New York at Red Bank, New Jersey, in 1843. The Phalanx dwellers, to the number of ninety, built a three story mansion and a grist mill and developed a seventy acre orchard, investing in the property some $8,000. At first success seemed to crown their efforts and by 1852 the community's property was inventoried at $80,000.

The colony established the unusual custom of paying the highest wages—though the scale was a very low one—to those doing the hardest and most disagreeable work, and of giving an extra reward for special skill and talent. The social life, as in the case of Brook Farm, was pleasant, and to the outsider the members appeared to be a genial band. For twelve years the experiment endured, but the waning of the movement without and dissensions within had their effect, and after a loss from fire amounting to $12,000, the members voted to dissolve.

Many other experiments were tried by the followers of

Fourier, Owen and Cabet, but sooner or later they failed. More fortunate were several religious colonies. The Oneida Community was among the most prosperous. Communism in these latter groups, however, was an incidental feature, and they had little social significance.

Causes of Failure.—The failure of the American communities was due to several factors. They were often founded with little preparation and with little or no capital. The members were usually a heterogeneous group of mere adventurers who possessed scant knowledge of farming or of the other trades which must be successfully pursued in order to prosper. Small attention was given to the selection of members, and when the fundamental principles of the colonies were under discussion, the absolutely diverse points of view among the colonists led to bitter clashes. An endeavor was often made to work out in detail certain rather fantastic plans of social theorists living in another country, unacquainted with the difficulties their followers were compelled to face, and possessed of an inadequate philosophy of human activity. Above all was the difficulty of conducting isolated social experiments on principles directly at variance with those of the outside world.

That these failures caused dismay among the followers of Owen, Cabet and Fourier goes without saying. For the Owenites had regarded their colonies as nuclei for a world federation of associations that would ultimately supplant the present political and economic structure, while the followers of Fourier believed that the phalanxes, founded here and there, would soon demonstrate the soundness of the master's principles, and lead to their universal adoption. With their disappearance the Owenite and Fourierist wave gradually ebbed, and finally disappeared from American life.

But despite the fact that the American communistic experiments did not adapt themselves successfully to their industrial environment, the communities possessed, during their lifetime, many social advantages.

"No one who visits a communistic society which has been for some time in existence," says Nordhoff, "can fail to be

struck by the amount of ingenuity, skill, and business talent developed among men from whom, in the outer world, one would not expect such qualities. . . . The communists are honest. They like thorough and good work and value their reputation for honesty and fair dealing. Their neighbors always speak highly of them in this respect.

"It is the unanimous testimony of all observers," declares Hillquit, "that the communists were, as a rule, very industrious, although no compulsion was exercised. . . . Disease was a rare occurrence among them, and they are not known to have had a single case of insanity or suicide. And, finally, it must be noted, that the communists invariably bestowed much attention upon the education of their children and their own culture. . . . On the whole, the communistic mode of life proved to be more conducive to the physical, moral and intellectual welfare of man than the individualistic regime."[7]

Wilhelm Weitling.—Connected partly with the American radical movement and partly with the German is another utopian writer, Wilhelm Weitling, a tailor by trade, and advocate of a utopia controlled by a dictatorship of men of genius. Weitling was born of humble parentage in Magdeburg in 1808. He received little schooling, but, through his unusual native ability, his wide reading and his extensive travels during his days of apprenticeship as a tailor, he acquired a vast store of knowledge. At an early age he embraced the theory of communism, and became an organizer and propagandist among German workingmen living in other countries. He established restaurants for traveling tailors in Paris and Switzerland, a workers' educational society in London and, in 1846, joined the German Workingmen's Society in Brussels, of which Marx and Engels were leading figures. At one time, he was regarded as the most influential figure among the German workingmen's colonies in Switzerland, Belgium, France and England.[8]

Dictatorship by Men of Genius.—In 1838 Weitling wrote his first book, *The World As It Is, and Should Be,*

[7] See *Ibid.*, pp. 128-31.
[8] See *Ibid.*, 1910, pp. 43-50.

and two years later, his second, *Guarantees of Harmony and Freedom,* which attracted wide attention.

In common with other utopians, he based his plea for a new social organization on moral grounds. The ideal state he pictured contained elements drawn from both Saint-Simon and Fourier. Like Saint-Simon, he would have the management of affairs in his highly centralized republic given over to men of knowledge and genius.

"In the first place," he says, "I adopted a principle which is admitted as an axiom in the learned world, that philosophy must bear rule. I then thought out the meaning of philosophy, and discovered that it stands for the sum total of all knowledge. . . . What steps should be taken to hand over the social order to knowledge?" Weitling answers this question by asserting that men of learning should be asked to apply for the position and should send in their scientific dissertations. These should be examined by members of the academies, and "the writer who is adjudged the best shall be appointed to that branch of government where his natural gifts may be of the greatest possible utility to society." He continues: "I should advocate the following arrangement for the government of societies. At their head should be placed a triumvirate composed of great philosophers who are at the same time the highest authorities respectively in the sciences of healing, of physics and of mechanics."[9]

Appeal to Earth's Mighty.—In the conclusion of his *Guarantees of Harmony and Freedom,* he thus appeals to the "mighty ones of the earth." "You," he says, "have the means of winning greater fame than an Alexander or a Napoleon. You have the means of removing all the evils of society in a way that is agreeable both to you and to us. If we are forced to undertake the work in our own rough and ready way, it will be a weary and painful process both for us and for you. Consider, therefore, and choose!"

On the other hand, he did recognize class distinctions between employer and employee and his views on the rôle

[9] Quoted in Sombart, *Socialism and the Socialist Movement,* p. 34.

of social classes came rather close to those held by modern socialists.

Later Life.—Weitling was exiled from his native land for his connection with secret organizations. In Brussels he became involved in a controversy with Marx and Engels over his advocacy of violence and of secret conspiracies to attain his ends. He at one time urged that the workers, 20,000 strong, should go armed to European capitals and terrify the propertied classes into a recognition of the principles of justice. Ultimately he journeyed to America where he became particularly enthusiastic about the possibilities of labor exchange banks somewhat after the model of Owen, and helped to establish communist colonies. With the failure of these ventures, however, he ceased his activity in the labor movement and passed his last days in the prosaic occupation of a clerk in the Bureau of Immigration, New York City.

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CHAPTER XII

THE SIGNIFICANCE OF UTOPIAN SOCIALISM—LATER SOCIAL ANTICIPATIONS

Agreement with Other Schools.—In the foregoing pages we have obtained a bird's-eye view of that distinguished group of thinkers in France, England, Germany and America during the first half of the nineteenth century who were known as utopian socialists. We have noted many points of difference between them. What is their point of agreement with later socialists? What is their point of agreement with each other?

Utopian socialists are at one with socialists of other schools in their indictment of the system of private property, with its economic wastes and social injustices; in their belief that the remedy for existing conditions is to be found in some form of social ownership of industry, under which mutual aid would supplant competition as the law of social well-being. They also voice the sentiment of all schools of socialism in their advocacy of a society which should afford each individual a full opportunity for physical, intellectual and moral development; in their recognition of work as a necessity and their demand that all should participate therein; and in their insistence on the importance of environment in the molding of human character.

Their Philosophic Background.—They differ materially from the later schools of socialists, however, in their philosophic and historical approach to a new industrial order and the methods whereby they hope to bring about this new order.

Their philosophy drew its inspiration from various sources, including the old Stoical school with its doctrines of *Jus naturale,* the early Christians, and the later Humanists and Rationalists.

Out of these various streams of philosophic thought, the utopian socialists developed in substance the following line of reasoning: God or Nature is good. Since God made the world, the world also is good, for a beneficent God could not have made anything which was not goodness and harmony.[1] Human society is a part of the world. Therefore God must have made it also a realm of peace and harmony, where all should be happy. Man is by nature good, and is capable of developing to the highest perfection.[2]

However, an analysis of society shows only misery and suffering. How has this come about? There is but one answer: Man has tampered with the original, perfect constitution of human society, which was in essence communistic, and by such artificial devices as private property has destroyed its natural harmony, and, as a consequence, the happiness of the individual. There are therefore two orders of society, the natural order, which leads to happiness, and the unnatural or artificial order, which leads to disharmony and suffering. Those who love mankind have but one duty to perform, that of bringing back the "natural order" among men.

Change Through Knowledge.—As a first step in this direction, men must discover the reason why mankind departed from the natural state. Investigation will show that this departure was due not to wickedness, but to error, to short-sightedness. The truth about the laws underlying the "natural order" must therefore be sought. Reason will lead us to the discovery of this truth, and once it is known, the path to a better state is open.

Since the changes in society will be brought about as a result of knowledge, the main need, as soon as truth is discovered, is to make it known, for the knowledge of it will insure its practical application. For how can a man who knows the truth fail to change conditions? "The complete change which is necessary," proclaimed Godwin, "can

1 "All that God made is good." Fourier, quoted in Sombart, *Socialism and the Socialist Movement*, p. 31.

2 "As God or Nature has made all the qualities of humanity, they must be good and of necessity such as they are." (Owen) quoted in Sombart, *op. cit.*, p. 32.

hardly be thought of as something to be done. It is rather a vision that men must see. They need but to understand their condition, and their chains will disappear like shadows from the dawn. When the decisive hour strikes, there will be no need to draw a sword or even move a finger. Our opponents will be too weak to withstand feelings common to all humanity.''[3]

Nor will the change be brought about through class struggle. All men suffer as a result of the existing ''irrational'' conditions. Therefore all men, when once they know the truth, will naturally assist in the change. Thus the new doctrines should not be taught to the workers alone. They should be preached to the rich as well as the poor. Indeed, special effort should be made to convert the rich and the powerful, for their conversion would help materially in reaching the masses. ''Must we not first convert the rich?'' asks Cabet. ''Certainly, to commence with them is the best policy, for the rich and educated will have great influence in converting others of their class, and even the poor. . . . But can we hope that the rich will be converted? Why doubt it? Are there not among the rich cultivated, just and generous men?''[4]

Propaganda.—Thus the utopian socialists—whom Sombart prefers to characterize as rationalist socialists—believed that the way to salvation was propaganda by word and example. Many held that examples of successful colonies organized according to the principles they advocated constituted the most effective form of propaganda.

Violent means of bringing about their dream states were generally tabooed. Most of the utopians felt that little could be gained by political action or by trade union organization.

Some Defects.—The utopians failed to appreciate the moving forces in society in the past and in the present. They overlooked the fact that many who realized the conditions of the times had no desire for change, since these conditions, bitter for the masses, meant for them definite economic advantage and power. In view of this, small,

[3] Quoted in *Ibid.*, p. 36. [4] *Ibid.*, p. 37.

powerful minorities were ready to do all that in them lay to oppose social changes. "In other words, they (the utopians) did not see that all social conditions are the expression of the prevailing division of power among the different classes of society. And to think that the possessors of power would be prevailed upon by preaching to give up their position, was hopelessly to underrate their strength."[5]

Overrated Powers.—Furthermore, they thought too highly of their own power to bring about a future society; their power of discerning the exact truth regarding social principles; their power of spreading knowledge; their power of conversion, of actually transforming society, and of conducting industry after the great change.

Lacked Historical Perspective.—They also lacked historical perspective. They failed to consider, as did later socialists, the historical mission of capitalism in increasing productivity, in developing the basis for concerted action on the part of the workers, and in rendering labor ever more capable of taking charge of its industrial affairs. Social change was regarded by them as largely a result of the social discoveries of brilliant men. If some one in society five hundred years before their time had discovered the truths which they were proclaiming, and had explained these truths to their fellowmen, misery and suffering, they felt, would long since have disappeared. For "absolute truth is independent of time, space and of the historical development of man," and it is thus "a mere accident when and where it is discovered."[6] They also had the mistaken notion that it was possible for social thinkers to cut out a pattern of a future order in all of its details, and that mankind could be induced to follow faithfully every detail of that pattern. Nor, after their perfect state had been achieved, did they conceive that there would be perpetual change and continual readjustments thereto. And, unfortunately, their patterns for a future society, and the absolute truths which they "dis-

[5] *Ibid.*, p. 39.
[6] Engels, *Socialism, From Utopian to Scientific*, Ch. I.

covered," were "different with the founder of each different school." And as each one's special kind of absolute truth, reason and justice was conditioned "by his subjective understanding, his conditions of existence, the measure of his knowledge and his intellectual training, there is no other ending possible in this conflict of absolute truths" than that they were bound to be mutually exclusive one of the other."[7]

Differences Among Themselves.—The characters of their utopias differed widely. They differed in the extent of common property advocated. They differed in their attitude toward equality. Some as Babeuf and Cabet advocated absolute equality in all things; Fourier and Saint-Simon allowed for a difference in compensation, dependent on capacity; while Louis Blanc would have the relative needs of the workers in his ideal republic determine their compensation. They differed in their concept of the future state. On the one extreme was Owen who felt that the state would gradually become obsolete; on the other, Louis Blanc, who went to the National Assembly and pleaded with it to begin the construction of his social workshops, nuclei of a new order.

They were "keenly critical, ingeniously suggestive, and contagiously enthusiastic." But their dreams were incapable of realization, and they had to give way to others whose schemes for social change bore some relation to reality. While, during their lifetime, they could show few tangible results, their exposure of social ills, their demand for a worthier civilization and their faith in human development have had no small influence on later socialist thought and on social improvement.

Modern Utopian Writers

Difference Between Old and Modern Writers.—While the school of utopian socialism virtually ended with the middle of the nineteenth century, writers of renown have continued even to the present to publish to the world their

[7] *Ibid.*, Ch. I.

visions of new social systems which, they hoped, might evolve from the existing order. The modern writers differ from the older utopians in their realization of the ever changing character of industrial society. They do not regard the utopia they have drawn as the last word on social development, but write largely as a means of bringing before the people the possibilities of a more equitable social order and, to some extent, of helping themselves to discover the kind of social order which would satisfy their ideals of justice and brotherhood. These portraits, while still defective in many ways, are far less fantastic and more realistic than are the "genuine utopias."

"The utopia of a modern dreamer," declares H. G. Wells in his *A Modern Utopia*, "must needs differ in one fundamental aspect from the Nowheres and Utopias men planned before Darwin quickened the thought of the world. Those were all perfect and static states, a balance of happiness won for ever against the forces of unrest and disorder that inhere in things. One beheld a healthy and simple generation enjoying the fruits of the earth in an atmosphere of virtue and happiness, to be followed by other virtuous, happy, and entirely similar generations, until the gods grew weary. Change and development were dammed back by invincible dams for ever. But the modern utopia must be not static but kinetic, must shape not as a permanent state but as a hopeful stage, leading to a long ascent of stages. Nowadays we do not resist and overcome the great stream of things, but rather float upon it. We build now not citadels, but ships of state. For one ordered arrangement of citizens rejoicing in an equality of happiness safe and assured to them and their children for ever, we have to plan 'a flexible common compromise, in which a perpetually novel succession of individualities may converge most effectually upon a comprehensive onward development.' That is the first, most generalized difference between a utopia based upon modern conceptions and all the utopias that were written in the former time."[8]

Bellamy's "Looking Backward."—Perhaps the most

[8] Wells, H. G., *A Modern Utopia*, pp. 16-17.

popular of these "pseudo-utopias" was *Looking Backward,* written in 1887 by Edward Bellamy, an American author.[9] Within ten years this volume sold over a million copies and was translated into more than a dozen languages. Bellamy has his hero, Mr. Julian West of Boston, fall asleep under the efforts of a mesmerist on Decoration Day, 1887, and wake up in the year 2000, to discover not the squalid, shabby Boston of old, but a city beautiful, without politicians, without corruption, without riches or poverty, but with peace and plenty and equal opportunity for all based on the development of a cooperative system of production and distribution developed in every phase of industrial life.

Some of the pictures of social changes considered quite fantastic in 1887 are commonplaces today, as, for instance, when Julian West, sitting comfortably in the house of his friend, listens to the beautiful strains of the opera played in the central music hall of the city.

A few years after the publication of *Looking Backward,* Bellamy wrote *Equality,* a more scientific, but less popular piece of utopian writing. William Dean Howells' *Traveler from Altruria* was another utopian novel which attracted considerable attention during that period.

Hertzka's Freeland.—On the continent of Europe, Dr. Theodor Hertzka, a Viennese economist of note, created quite a profound impression through the publication in 1890 of *Freeland—A Social Anticipation.* The publication of this book led to the organization of nearly 1000 societies in Austria and Germany whose members were determined to put the ideals expressed in the book into practice. A central committee was organized and a piece of land in British East Africa was purchased as an experiment station for Hertzka's ideas, but the difficulties in the

[9] Bellamy was born in 1850 in Chicopee Falls, Mass., the son of a Baptist minister. He studied for some time in Union College, Schenectady, N. Y., spent a year in Germany, and later became a member of the bar. Journalism, however, attracted him, and he became a member of the *New York Post* and later of the *Springfield Union.* He was of a retiring disposition, and ever shunned the limelight. He died in 1898, at the age of 48.

way of the proposed colony proved to be too great. Dr. Hertzka maintains in *Freeland* that, with the development of the arts and sciences, "a moderate amount of labor ought to produce inexhaustible abundance for every one born of woman," and yet that this advance has hitherto been unable to ameliorate one human woe. Throughout his book Hertzka endeavored to portray society based on social production—cooperative associations organized by whole industries—in which the workers enjoyed the product of their own industry and thus secured a direct, economic incentive to the best endeavor.

William Morris' "News from Nowhere."—The outstanding modern English Utopias are William Morris'[10] *News from Nowhere* and H. G. Wells' *A Modern Utopia.*

"England," declared Hammond in Morris' *News from Nowhere,* "was once a country of clearings amongst the woods and wastes, with a few towns interspersed, which were fortresses for the feudal army, markets for the folk, gathering places for the craftsmen. It then became a

[10] William Morris was born on March 24, 1834, in a small village near London. His early schooling was of no great importance. He was a voracious reader and spent much of his childhood ranging around the fields and woods. At 14 he went to Marlborough College, a preparatory school, and later to Exeter College, Oxford. In the vacations he traveled through the continent, visiting the art galleries and churches. During one of these visits he decided to abandon theology—for which he had matriculated in college—and to serve the world through the medium of art.

After leaving Oxford, he went into an architect's office and later tried painting, modelling, embroidery, and the designing of furniture. In 1861 the firm of Morris and Company was organized. As a partner of the firm, he learned one technique after another, and the firm gained increasing fame throughout England.

In the meanwhile Morris began to write verse, and during the sixties published *The Earthly Paradise* and other poetical works. Morris became interested in the social movement through his agitation in the late seventies to prevent the war in the East which sprang, he believed, from the intention of the ruling classes to extend the field of commercial exploitation. He traveled up and down England telling of his hope in the masses. He spoke at street corners, in public parks, at political meetings. He wrote social poems and plays and romances of reform. In his *Signs of Change, Dream of John Ball, News from Nowhere,* etc., he wrote more as a poet than as a scientist. He joined the Social Democratic Federation in the early eighties and was active in the socialist movement until his death in 1896.

country of huge and foul workshops and fouler gambling-dens, surrounded by an ill-kept, poverty-stricken farm, pillaged by the masters of the workshops. It is now a garden, where nothing is wasted and nothing is spoilt, with the necessary dwellings, sheds, and workshops scattered up and down the country, all trim and neat and pretty. For, indeed, we should be too much ashamed of ourselves if we allowed the making of goods, even on a large scale, to carry with it the appearance, even, of desolation and misery.'' [11]

Morris visualizes a utopia from which big cities have disappeared. London is again a collection of villages, mingled in great woodlands and meadows, where the school children have their recreation. There are shops from which one takes the necessities of life for the asking and great common halls, where one eats—picturesque, spacious and beautiful. And people work for the joy of it, and all labor for useful ends.

H. G. Wells' Modern Utopia.—H. G. Wells' [12] *Modern Utopia* was written in 1905, partly with the aim of clarifying the author's own conception of future development.

[11] Morris, William, *News from Nowhere,* p. 91.

[12] H. G. Wells was born September 21, 1866, in Bromley, Kent, England, the son of an unsuccessful storekeeper who had attained some fame as a cricket player. At the age of fifteen, Wells became a clerk in a dry goods store. He ran away from this occupation, however, and later became assistant in the Midhurst Grammar School, studied at a Normal School of Science, and obtained his B.S. degree at the Royal College of Science of the University of London. He first went into teaching, but his health broke down, and he entered the field of journalism. In 1895 he published his first book of fiction. His first attempts in literature from 1895 to 1900 consisted chiefly of fantastic romances. From 1900 to 1908 he wrote a number of sociological essays, including his *Anticipations* (1901) *The Discovery of the Future* (1901), *Mankind in the Making* (1903), *A Modern Utopia* (1905), *This Misery of Boots* (1907), *New Worlds for Old* (1908) and *First and Last Things* (1908). Later he began his series of sociological novels which brought him such fame. During the World War he wrote extensively on international problems and following the war branched out as an historian, with his *Outline of History.* He was a member of the Fabian Society during the early part of the century and in 1922 ran for Parliament as candidate of the British Labor party. See H. G. Wells' *Social Anticipation,* edited by H. W. Laidler (N. Y.: Vanguard Press, 1927).

In this book, the great English author insists that a modern utopian must think in terms of a world economy, and not, as in the older utopias, confine his imaginings to an isolated spot on some strange planet. The cornerstone of a modern utopia should be freedom. "To have free play for one's individuality is, in the modern view, the subjective triumph of existence, as survival in creative work and offspring is its objective triumph." [13] However, "no one but a despot can be perfectly free to do everything he likes," and in the state of the future society must step in to delimit those freedoms that infringe on the freedom of others, "those spendthrift liberties that waste liberty," in order to attain the maximum happiness for all. Of equal importance is that of sustenance and work.

The world state of H. G. Wells is the sole landowner of the earth with the local governments holding it, as it were, feudally as landlords. The state or its subsidiaries hold all sources of food and power energy and develop these through tenants, farmers and agents.[14]

These "pseudo-utopias," while more scientific than their predecessors, have many flaws from the standpoint of economic science. Appealing, however, as they have, to the imaginative and emotional side of human nature, they have furnished a powerful drive to many thousands to join the labor movement and to sacrifice their time and strength in the cause of "human emancipation."

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Part II

MARXIAN SOCIALISM

CHAPTER XIII

EARLY BEGINNINGS OF MARXIAN SOCIALISM

The Advent of Marxian Socialism.—Until the middle of the last century, the school of socialist thought which held the center of the stage, as we have elsewhere observed, was that of *utopian* socialism. During the thirties and the forties, however, the concepts of the utopians were subjected to merciless criticism by a group of able writers committed to fundamental social change. Among these critics was a brilliant young Doctor of Philosophy of the University of Jena, Karl Heinrich Marx, and a young German business man residing in England, with a bent for economics, Friedrich Engels. Their *Communist Manifesto,* issued in the revolutionary year, 1848, at the behest of a small international workingmen's organization, was at once an interpretation of the rôle of the working class in past and future history and a clarion call to labor to unite for the purpose of securing its emancipation, and, through that emancipation, the freedom of all mankind. It marked the definite decline in the leadership of the utopian school of thought among the advocates of a new social order. It marked at the same time the advent of Marxian or "scientific" socialism, a social philosophy which has exerted such a powerful influence on the political, social, economic and cultural thought of the last half century and which seems destined to play a still larger rôle in future historical developments.

Early Life of Karl Marx.—The real author of "scientific" socialism was, of course, Karl Marx. The career of this remarkable student and leader of men—the outstanding working class theorist of the nineteenth century—was a striking one. Marx was born in Treves, southeastern Germany, on the fifth of May, 1818. His father was a Jewish

jurist and his grandfather, a German Rabbi. His mother was descended from a Dutch Rabbi's family which had emigrated from Hungary to Holland in the seventeenth century.

When Karl, one of several children, was six years of age, his family embraced Christianity. In the grammar school of Treves and at the home of L. von Westphalen—his future father-in-law, and a government Privy Counsellor of a literary turn of mind—Karl received his early education. To this cultured friend, Marx afterwards dedicated his doctor's thesis, describing him as one "who welcomes every progressive movement with the enthusiasm and sober judgment of a lover of truth, and who is a living proof that idealism is no imagination, but the truth."[1]

Marx's Days at the University.—Following his elementary education, Marx matriculated, at the age of 17, at the University of Bonn, with the object of taking up the study of law, in deference to the wishes of his father. The next year, 1836, however, he transferred his undergraduate study to Berlin University and threw himself into his work with great intensity, applying himself to a wide variety of subjects, including philosophy, jurisprudence, history, literature, and art.

"Giving up social intercourse," writes Beer, "he worked night and day, making abstracts of what he read, translating Greek and Latin, working at philosophical systems, setting down a considerable number of his own thoughts, and drafting outlines of philosophy and jurisprudence, as well as writing three volumes of poems."[2] His intellectual studies during 1837, when he was still but nineteen years old, led him to reject the abstract idealism of Kant and Fichte and to seek refuge in Hegel. "From the idealism which I had cherished so long," he wrote to his father, "I fell to seeking the ideal in reality itself. . . . I had read fragments of Hegel's philosophy, the strange, rugged melody of which had not pleased me. Once again I wished to dive into the midst of the sea, this time with the resolute

[1] Beer, *Life and Teaching of Karl Marx*, p. 2.
[2] *Ibid.*, p. 4.

intention of finding a spiritual nature just as essential, concrete, and perfect as the physical, and, instead of indulging in intellectual gymnastics, bringing up pure pearls into the sunlight.'' [3]

Embraces Hegelian Philosophy.—The Hegelial philosophy finally took possession of him. He became ill, burnt his poems and material for short stories, and, during his illness and his subsequent rest at Stralau, acquainted himself with Hegel's philosophy and that of his followers, from beginning to end. Later he became an ardent member of the Graduates Club of the University in which he held long arguments on philosophical questions.[4]

[3] *Ibid.*, p. 7.

[4] Until the end of the eighteenth century, the universe and social organizations were conceived for the most part as fixed, constant and eternal. With the coming of the nineteenth century, however, this concept gradually began to give way to a concept of eternal change, endless evolution. All things were in a flux, a state of becoming and disappearing. The new philosophy demanded a new logic. It was G. W. H. Hegel (1770–1831) who made a careful attempt to formulate this new logic. The essence of the logic which he formulated was the dialectic. Hegel's dialectic method conceived that change took place through the struggle of antagonistic elements, and the resolution of these contradictory elements into a synthesis, the first two elements forming a new and higher concept by virtue of their union.

Hegel obscured his meaning by the use of a rather difficult phraseology. The *thing* or *being* against which the contradiction operated he called the positive. The antagonistic element, or antithesis, was the negation. To Hegel the contradiction, antithesis or negation was the ''source of all movement and life; only insofar as it contains a contradiction can anything have movement, power, and effect.'' A continued operation of the negation led to the negation of negation or synthesis.

The dialectic method of Hegel colored all of Marx's social thinking. He was always on the outlook for a negation, an antithesis, in the belief that progress began with its appearance.

In his *Holy Family,* written in 1844, Marx used the Hegelian dialectic, for instance, in describing the class struggle. There is the positive—private property, Marx maintains, the negative, or antithesis, the proletariat. As a result of the conflict between the rising proletariat—the antithesis—and private property—the thesis—we might expect to see the emergence of a new form of society—a synthesis—under which the proletariat does not ''become the absolute side of society, for it triumphs only by abolishing itself and its opposite. In this way both the proletariat and its conditioned opposite, private property, are done away with.'' (In Mehring, *Collected Works and Literary Remains of Marx and Engels,* Vol. II, p. 132.)

His father admonished him against such intellectual dissipation and urged him to follow the example of other students who attended their lectures regularly and had an eye to a future career.

"Indeed," the elderly Marx declared in a fatherly letter to his restless son, "these men sleep quite peacefully except when they now and then devote a whole or part of a night to pleasure, whereas my clever and gifted son Karl passes wretched, sleepless nights, wearying body and mind with cheerless study, forbearing all pleasures with the sole object of applying himself to abstruse studies; but what he builds today he destroys again tomorrow, and in the end he finds that he has destroyed what he already had, without having gained anything from other people. At last the body begins to ail and the mind gets confused, whilst these ordinary folks steal along in easy marches, and attain their goal if not better at least more comfortably than those who con-

Hegel himself failed to apply his dialectic method to the social relations, his nationalistic sentiments making him a strong supporter of his philosophic system, disagreeing as he did with the view that the universe arose out of pure reason, out of the logical idea.

While Marx was an ardent follower of the philosophic method of Hegel, he took issue with the Prussian state. Many differences of opinions developed among Hegel's disciples, chiefly in regard to the doctrines of the Deity, immortality and the personality of Christ. The "Young Hegelians" took the unorthodox point of view. In politics many of them were mild liberals. Karl Marx, the youngest of the "Young Hegelians," was the first to apply the dialectic method to the social sciences.

In commenting on the value of Hegel's philosophy to the revolutionary thought of the day, Engels declared: "Just there lay the true significance and the revolutionary character of the Hegelian philosophy . . . in that it gave the *coup de grace* to finiteness of results of human thought and action. Truth . . . was no longer . . . a collection of ready-made dogmatic statements, which, once discovered, must be thoroughly learned; truth lay now in the process of knowledge itself, in the long historical development of learning, which climbs from lower to ever higher heights of knowledge, without ever reaching the point of so-called absolute truth. And just as little as knowledge can history find a conclusion, complete in one completed ideal condition of humanity. A completed society, a perfect state, are things which can only exist in phantasies. On the contrary, all successive historical conditions are only places of pilgrimage in the endless evolutionary progress of human society from the lower to the higher." (Friedrich Engels, *Feuerbach, The Roots of the Socialist Philosophy*, pp. 41-3.)

temn youthful pleasures and undermine their health in order to snatch at the ghost of erudition, which they could probably have exercised more successfully in an hour spent in the society of competent men—with social enjoyment into the bargain." [5]

But Karl was bent on seeking the truth, and abjured an easy life. Nor did an official career have any appeal for him. He wrote:

> Let us not in base subjection
> Brood away our fearful life,
> When with deed and aspiration
> We might enter in the strife.

Marx Receives His Doctorate and Turns to Journalism.—Karl's ambition soon turned toward a lectureship at the University of Bonn, where his friend Bruno Bauer hoped to be appointed professor. He gave up the study of law, became completely engrossed in philosophy, and, in 1841 at Jena, at the early age of twenty-three, received the degree of Doctor of Philosophy, after defending his dissertation on the *Natural Philosophies of Democritus and Epicurus*. He applied for the lectureship, but the Prussian universities were not free centers of thought, and turned down the applications both of Bauer and Marx, as too nonconformist in their attitude.

Thereupon young Marx turned to free lance journalism. In doing so he resolved to employ the weapon of the Young Hegelians of that period—the weapon of criticism—for the purpose of sweeping away old dogmas and of bringing about the spiritual freedom of Germany, by which he understood freedom in religion and liberalism in politics.

Marx Studies Economics.—About that time a group of liberals in the Rhine-provinces founded a newspaper. Marx, a friend of the editor, was asked to contribute to it. His contributions were so trenchant that, on the resignation of the editor, in October, 1842, Marx, then 24, was asked to take his place. It was at that time that he was first forced to begin a serious study of economic problems. In his *Critique of Political Economy* (1859) he writes:

[5] Beer, *op. cit.*, pp. 9, 10.

"As editor of the *Rheinische Zeitung,* in 1842 and 1843, I came up, for the first time, against the difficulty of having to take part in the controversy over so-called material interests. The proceedings of the Diet of the Rhine provinces in regard to wood stealing and parceling out of landed property, and their action towards the farmers of the Moselle districts, and lastly debates on free trade and protection, gave the first stimulus to my investigation of economic questions. On the other hand, an echo of French socialism and communism, feebly philosophical in tone, had at that time made itself felt in the columns of the *Rheinische Zeitung.* I declared myself against superficiality, confessing, however, at the same time that the studies I had made so far did not allow me to venture any judgment of my own on the significance of the French tendencies." [6]

Marx Marries: Becomes a Socialist.—Marx soon retired from the paper in order to have more leisure to devote to these studies. His retirement came at a time when he was contemplating marriage with Jenny von Westphalen, the charming and cultured daughter of Marx's fatherly friend, the Privy Councillor. It was during the next year or two of reading and thinking, in the years 1843 and 1844, that he delved as deeply into the socialist literature of the times as he had some six years before into the philosophical writings of Hegel. He emerged from his reading at the age of twenty-five or twenty-six a convinced socialist.

In the following two years he laid the foundation for the historical theories with which his name is associated. In a letter from Cologne in May, 1843, he remarked:

> This system of acquisition and commercialism, of possession and of exploitation of mankind, is leading even more swiftly than the increase of population, to a breach within the present society, which the old system cannot heal, because indeed it has not the power either to heal or create, but only to exist and enjoy.[7]

Maintains Labor Must Save Itself.—In a letter in September, 1843, he showed his acquaintance with the writings

[6] *Ibid.,* pp. 13-4; Marx, *Critique of Political Economy* (Kerr Edition), p. 10.

[7] Beer, *op. cit.,* p. 15.

of the utopian socialists, Fourier, Proudhon, Cabet and others, and asserted that his task did not consist in the setting up of utopias, but in the criticism of existing social and political conditions, "in interpreting the struggles and aspirations of the age."

By the winter of 1843, he had come to the conclusion that, if any revolutionary change was to be brought about in industrial conditions, it was to come through the efforts of labor, not of the owners of industry. In his introduction to Hegel's *Philosophy of Law*, for instance, he maintained that the positive conditions for the German revolution and liberation were to be found "in the formation of a class in chains, a class which finds itself in bourgeois society, but which is not of it, of an order which shall break up all orders. . . . When the proletariat proclaims the dissolution of the existing order of things, it is merely announcing the secret of its own existence, for it is in itself the virtual dissolution of this order of things. When the proletariat desires the negation of private property, it is merely elevating as a general principle of society what it already involuntarily embodies in itself as the negative product of society." [8]

His Function Criticism, Not Dogma.—This was written in Paris, whence Marx had gone with his young wife in October, 1843, to take up the editorship of the Franco-German Year Books. He declared that the aim of these books was "the fearless criticism of all existing institutions —fearless in the sense that it does not shrink from its logical consequences, or from the conflict with the powers that be. I am therefore not with those who would have us set up a standard of dogmatism; far from it; we should rather try to give what help we can to those involved in dogma, so that they may realize the implications of their own principles. So, for example, communism as taught by Cabet . . . and others is a dogmatic abstraction. . . . We do not then proclaim to the world in doctrinaire fashion any new principle: 'This is the truth, bow down before it!' We do not say: 'Refrain from strife, it is foolishness!'

[8] *Ibid.*, pp. 16, 17.

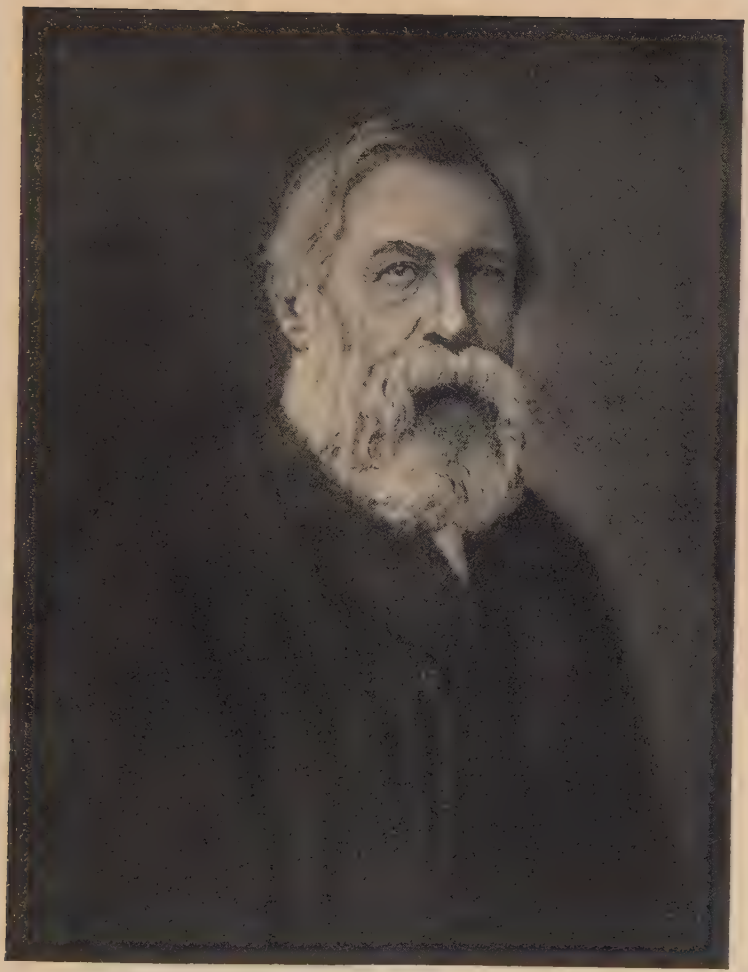
We only make clear to men for what they are really struggling, and to the consciousness of this they must come whether they will or not."[9]

Beginning of Friendship with Engels.—But one number of the Franco-Prussian Year Books appeared in the spring of 1844. This number contained, among other contributions, an article by Friedrich Engels, then a young business man of Manchester, aged 24, which condemned the economic system in the name of justice, though refusing to accept the socialist utopias of Owen and other utopians. This was the beginning of an enduring and quite beautiful friendship between Marx and Engels, a friendship which made it possible for Marx to continue his literary career, although at times amid great hardship, and without which "Marx, with his unpractical, helpless, and, at the same time, proud and uncompromising disposition, would most probably have perished in exile."[10]

[9] *Ibid.*, p. 18.

[10] *Ibid.*, p. 20. Engels was born in Barmen, November 28, 1820, two and a half years after the birth of Marx. He was the son of a wealthy manufacturer, and was brought up in an extremely conservative environment. On graduating from Barmen high school he went to the gymnasium of Elberfeld, but entered his father's business a year before his final examination. In 1841 he served in the Guard Artillery in Berlin and became quite an authority on military science. Following this experience he went to Manchester as an agent of the spinning mill of Ermen and Engels, of which his father was a partner. For a number of years prior thereto he had been interested in the newer developments in philosophy and social thought, and, on his way to England, dropped in at the editorial office of the *Rheinische Zeitung*, and met Marx for the first time. At that time, Marx and Engels failed to see eye to eye, and Engels' reception was cool. In England, he connected himself with the Chartist, the utopian socialist and the trade union movements, and became intimately acquainted with the newer developments in the capitalist industry. He gathered material at this time which formed the basis of his *Condition of the Working Classes in England in 1844*, a powerful indictment of the capitalist order.

On returning to the continent, Engels collaborated with Marx in writing *The Holy Family*. In 1845 he gave up the mercantile business which he greatly disliked and went to Brussels, where Marx was then doing his work. The two were busy during the remaining two years in research, writing and organization. Engels visited London in the summer of 1847 as a representative of the Paris group to formulate a new program for the Communist League, and helped in writing the *Communist Manifesto*.



FRIEDRICH ENGELS (1820-1895)

The Germs of Historical Materialism.—Following the discontinuance of the year books, Marx spent much time in the study of English and French systems of political economy, of socialism and history.[11] In the autumn of

In 1849 he joined a volunteer corps in the Palatinate which was demanding a constitution for the whole German Empire, and on his return to London collaborated with Marx on the revolutionary movements of 1848–50. In 1850 he reentered business in order to earn enough to permit Marx to continue his literary work.

For the following twenty years Marx and Engels saw little of one another, but were nevertheless in almost daily correspondence. They exchanged freely their every new economic discovery and published their articles only after each had been submitted to the other for criticism. Engels also aided Marx extensively in his work for the *New York Tribune*. He was particularly helpful to Marx in supplying actual data from industrial life. "Without you," wrote Marx, "I could never have brought the work (*Capital*) to a conclusion, and I assure you that a load like a mountain has always lain on my mind; that chiefly on my account you have allowed your splendid powers to go to waste and to grow rusty in commerce."

In 1860 Engels' father died, and he became partner in the business. In writing to Marx later about his desire to get out of the commercial field, he said: "I long for nothing so much as to get free from this dastardly commerce, which, with all the loss of time involved, is completely demoralizing me. So long as I am in it, I am useless for anything; particularly since I became partner, it has become worse, because of the greater responsibilities. Were it not for the larger income, I should really prefer to be a clerk again."

In 1869, he sold out his partnership, and obtained a large sum of money in return for his promise not to open up business in the same trade on his own account. Through this deal, he was able to pay Marx some 350 pounds a year for a number of years. From September, 1870, when Engels moved to London, to the death of Marx, the two kindred spirits worked side by side. Marx devoted himself chiefly to the working out of systematic social and economic theories, while Engels dealt more largely with the discussion of current questions of the day in the light of these theories.

On Marx's death, Engels translated, completed and secured the publication of many of Marx's works. He died on August 6, 1895, at the age of 75. His chief works were: *Socialism from Utopia to Science*—one of the two or three foremost classics on scientific socialism; *Condition of Working Class in England in 1844; Origin of the Family* and *Feuerbach, The Roots of the Socialist Philosophy.*

Engels is described as tall, slender, erect in bearing, quick and witty in speech, and a man of unusual intellectual grasp. He shunned the limelight and was constantly belittling his work in comparison with that of his co-worker. He was a born optimist and was, especially in the early part of his life, constantly viewing the revolution as but a few years ahead. (See the *Life and Works of Friedrich Engels.* By Zelda Kahan Coates, 1920. London.)

[11] Writing of the literary atmosphere of Paris at the time (1840–

1844 he published *The Holy Family,* in an attempt to force the Young Hegelians to enter the field of social criticism. The book contains the germs of the materialist conception of history and of the theory of the class struggle. Marx criticized his friend Bruno Bauer for not realizing that it was impossible to understand any period "without having studied, for example, the industries of that period, the immediate means of production of life itself." He maintained that *ideas were potent in the development of society only as they represented the interests of the masses.* "Otherwise the ideas might indeed stir up enthusiasm, but they could not achieve any results. . . . Ideas have only had effective results insofar as they correspond to class interests. The enthusiasm to which such ideas gave birth arose from the illusion that these ideas signified the liberation of mankind in general."

Forced to Leave France.—During this time Marx became acquainted with Heine, Proudhon and other reformers, and contributed frequently to the Paris *Vorwaerts.* In 1845, at the instigation of the Prussian government, he was forced to leave Paris and went, bag and baggage, to Brussels. There he remained until the outbreak of the European revolution of February, 1848, reading avidly the many works on political economy that Engels had placed at his disposal, and embodying his researches in his *Misère de la Philosophie,* a polemic against Proudhon, published in 1847, and embodying many of the doctrines of social conflict and social change stated more popularly in the *Communist Manifesto* of the following year.

The Communist Manifesto.—Since 1836 German workers living abroad had been organized into the League of the Just which had correspondents in various centers and since 1840 had its headquarters in London, Hearing about this

3), Louis Reybaud, a contemporary French writer, observed: "For sometime there has arisen a great concert of recriminations and anathemas against society. Every day a new champion appears in the arena to challenge the existing order; now in the name of literature, now in the name of science. The detractors raise such a noise that few writers dare defend it." (*"Etudes sur les reformateurs ou socialistes Modernes,"* Vol. II, p. 1, Paris, 1843.)

able student from its Paris and Brussels members, the League sent one of its members to Brussels in January, 1847, to learn more about Marx. The League subsequently became the League of Communists and held its first Congress in London in the summer of 1847, attended, among others, by Engels. At the second Congress in December, 1847, Marx also appeared, and he and Engels were commissioned to prepare a new program. The program prepared was the now famous *Communist Manifesto*.[12]

History One of Class Struggles.—While the joint production of Marx and Engels, the *Manifesto* undoubtedly owed more to Marx, then a young man of twenty-nine, than to his co-worker, then in his twenty-seventh year. "I consider myself bound to state," declared Engels, "that the fundamental proposition which forms the nucleus belongs to Marx. That proposition is: *that in every historical epoch the prevailing mode of economic production and exchange, and the social organization necessarily following from it, form the basis upon which is built up, and from which alone can be explained the political and intellectual history of that epoch; that consequently the whole history of mankind (since the dissolution of primitive tribal society, holding land in common ownership) has been a history of class struggles, contests between exploiting and exploited, ruling and oppressed classes; that the history of these class struggles forms a series of evolution in which, now-a-days, a stage has been reached where the exploited and oppressed classes (the proletariat) cannot attain its emancipation from the sway of the exploiting and ruling class the (bourgeoisie) without, at the same time, and once for all, emancipating society at large from all exploitation, oppression, class-distinction and class struggles.*

"This proposition which, in my opinion, *is destined to do for history what Darwin's theory had done for biology*, we,

[12] Marx was also the author of the preamble to the rules of the Communist League: "The object of the League," the rules read, "is the overthrow of the bourgeoisie, the rule of the proletariat, the abolition of the old bourgeoisie society which is based on class antagonism, and the establishment of a new society without classes and without private property."

both of us, had been gradually approaching for some years before 1845." (Italics ours.)[13]

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CHAPTER XIV

THE COMMUNIST MANIFESTO AND THE REVOLUTIONS OF 1848

Communism the Spectre.—"A spectre is haunting Europe—the spectre of communism," runs the opening sentence of the *Communist Manifesto*.[1] "All the powers of old Europe have entered into a bold alliance to exorcise this spectre; Pope and Czar, Metternich and Guizot, French Radicals and German police spies." In view of the growing power of communism it behooves the communists to publish openly, in the face of the whole world, "their views, their aims, their tendencies, and meet this nursery tale of the spectre of communism with a manifesto of the party itself."[2]

Class Struggles.—The *Manifesto* is roughly divided into four sections. Part One considers the rise and development of the bourgeoisie, that is, the class of modern capital-

[1] The question has often arisen as to why the *Manifesto* was called "communist," rather than "socialist," although Marx and Engels are regarded as the fathers of scientific socialism. Friedrich Engels, in his Preface to the 1888 edition, gives the following explanation: In 1847, socialists were commonly regarded, on the one hand, as adherents of the various utopian systems, and, on the other, as social reformers who, "by all manner of tinkering, professed to redress, without any danger to capital and profit, all sorts of social grievances; in both cases men outside the working class movement, and looking rather to the 'educated classes' for support." On the other hand, "Whatever portion of the working class had become convinced of the insufficiency of mere political revolutions, and had proclaimed the necessity of a total social change, that portion then called itself communist. . . . And as our notion from the very beginning was that 'the emancipation of the working class must be the act of the working class itself,' there could be no doubt as to which of the two names we must take."

[2] Marx and Engels, *Communist Manifesto* (Rand School Edition), p. 11; to avoid confusion, due to the existence of numerous editions of the *Manifesto*, I will not refer to particular pages in further references in this chapter.

ists, owners of the means of social production and employers of wage labor—and of the proletariat, wage-earners who, having no means of production of their own, sell their labor power in order to live.

The history of recorded society, it maintains, is a history of class struggles. Under slavery and feudalism these struggles were carried on, sometimes openly, sometimes secretly, between oppressor and oppressed, and ended "either in a revolutionary reconstruction of society-at-large, or in the common ruin of the contending classes."

Capitalism appeared with the discovery of America, the opening up of Asia and the consequent development of world markets. Under the feudal regime industrial production was monopolized by closed guilds. These guilds were able to supply a limited local market, but were, in the nature of the case, unable to adjust themselves to international commerce. The guilds were succeeded by the manufacturing system. At first goods were manufactured by hand. Hand power, however, was soon superseded by steam power and the small tool by steam-driven machinery. The appearance of steam and machinery revolutionized industrial production and made it possible to send a steady stream of goods to distant parts of the earth. A world market in turn gave a great impetus to communication by land and sea.

The Revolutionary Rôle of the Capitalists.—The capitalist class during the last hundred years has played a most revolutionary part. Wherever it has obtained the upper hand, it has torn asunder all of the old feudal relationships and has "left no other nexus between man and man than naked self-interest, than callous 'cash payment.' It has drowned the most heavenly ecstasies of religious fervor, of chivalrous enthusiasm, of Philistine sentimentalism in the icy water of egotistical calculation. It has resolved personal worth into exchange value, and in place of the numberless indefensible chartered freedoms, has set up that single, unconscionable freedom—free trade. In one word, for exploitation veiled by religious and political illusions, it has substituted naked, shameless, direct, brutal exploita-

tion. The bourgeoisie has stripped of its halo every occupation hitherto honored and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid laborers."

Capitalist Achievements.—On the other hand, its achievements have been vast. "It has accomplished wonders far exceeding Egyptian pyramids, Roman aqueducts and Gothic cathedrals; it has conducted expeditions that put in the shade all former exoduses of nations and crusades. . . . Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones. . . . All fixed, fast, frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new formed ones become antiquated before they can ossify. All that is solid melts into the air, all that is holy is profaned, and man is at last compelled to face, with sober senses, his real conditions of life, and his relations with his kind."

Capitalism Develops World Interdependence.—The need for constantly expanding markets impels the capitalist class to advance all over the globe. Production and consumption become cosmopolitan in their character. There develops a universal interdependence of nations. Intellectual creations also become international and we begin to develop a world literature. The most barbarian nations are drawn into civilization. "The cheap prices of its commodities are the heavy artillery with which it batters down all Chinese walls. . . . It compels all nations, on pain of extinction, to adopt the bourgeois mode of production. . . . In a word, it creates a world after its own image."

Tendency Toward Centralization.—"The capitalist class has agglomerated population, centralized means of production, and has concentrated property in a few hands." It has at the same time accelerated political centralization. "The bourgeoisie, during its rule of scarce one hundred years, has created more massive and more colossal productive forces than have all preceding generations together. Subjection of nature's forces to man, machinery, applica-

tion of chemistry to industry and agriculture, steam-navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalization of rivers, whole populations conjured out of the ground—what earlier century has even a presentiment that such productive forces slumbered in the lap of social labor?''

The modern capitalist regime, which has sprouted from the ruins of feudal society, has not abolished class struggles, but has created new classes, and, at the same time, has simplified the class antagonisms. ''Society as a whole,'' the *Manifesto* reads, ''is more and more splitting up into two great hostile camps, into two great classes directly facing each other: bourgeoisie and proletariat.''

The Appearance of a World Market.—The development of world markets through the discovery of America, the opening up of Asia, etc., the *Manifesto* continues, dealt a death blow to the feudal system of industry under which industrial production was monopolized by close guilds. The guilds were succeeded by the manufacturing system, and this system was soon revolutionized by the appearance of steam and machinery. Modern industry has established the world market. This market has given a great impetus to commerce and communication by land and sea.

Increased Power of the Capitalst.—With the development of capitalism, the capitalist class as such continually increased in industrial power, accompanied also by increased political power. ''The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie.''

Capitalism Develops Industrial Crises—''Seeds of Destruction.''—Feudal society gave birth to forces that it could no longer control. At a certain stage in its development, feudal property relations became fetters binding the developing commerce and industry of that time. The fetters had to be burst asunder. A similar situation is beginning to confront bourgeois society. ''A society that has conjured up such gigantic means of production and exchange is like a sorcerer, who is no longer able to control the powers of the nether world whom he has called up by

his spells." For many decades past the history of industry has been a history of the revolt of the modern productive forces against modern conditions of production.

"It is enough to mention the commercial crises that by their periodical return put on its trial, each time more threateningly, the existence of the entire bourgeois society." In these crises there breaks out an epidemic of overproduction. Industry and commerce seem to be destroyed, because there is too much civilization, too much means of subsistence, too much industry, too much commerce. The conditions of bourgeois society are too narrow to comprise the wealth created by them. The bourgeoisie overcomes each crisis by mass destruction of productive forces, by the conquest of new markets and the more thorough exploitation of the old ones, that is to say, by paving the way for more extensive and more destructive crises, and by diminishing the means whereby crises are prevented. "The weapons with which the bourgeoisie felled feudalism to the ground are now turned against the bourgeoisie itself."

The Development of the Working Class.—"But not only has the bourgeoisie forged the weapons that bring death to itself; it has also called into existence the men who are to wield those weapons—the modern working class—the proletarians." The modern working class is developed in the same proportion as is the bourgeoisie. "Owing to the extensive use of machinery and the division of labor, the work of labor has lost its individual character and its charm. The worker becomes an appendage of the machine, and it is only the most simple, the most monotonous and most easily acquired knack that is required of him. Hence, the cost of production of a workman is restricted almost entirely to the means of subsistence that he requires for his maintenance, and for the propagation of the race. . . . In proportion as the use of machinery and division of labor increases, in the same proportion the burden of toil increases, whether by prolongation of the working hours, by increase of the work exacted in a given time, or by increased speed of the machinery, etc."

Modern industry has converted the small shop into the

great factory. The workers are crowded together, enslaved by the capitalists and by the machines alike, continues the *Manifesto.* With the development of machinery, women's labor gradually supersedes men's labor. As soon as the worker receives his wages in cash, he is set upon by other members of the bourgeoisie, the landlord, the shopkeeper, etc.

Disappearance of Middle Class.—The lower strata of the middle class—the small tradesmen, the shopkeepers, the handicraftsmen, the peasants, etc.—all sink gradually into the proletariat, partly because they cannot compete with their small capital against the large capitalists, and partly because their specialized skill is rendered worthless by new methods of production. "Thus the proletariat is recruited from all classes of the population."

Organization of Workers.—The working class goes through various stages of development. From its birth it carries on a struggle with the capitalist class. At first that struggle is conducted by the individual worker, then by the work people in the factory, then by the operatives in one trade, in one locality. The contest is at first waged against the machinery as such, and much is destroyed. The workers are enlisted by the bourgeoisie in the beginning of their career in a fight against absolute monarchy. Machinery tends to obliterate distinctions of labor and nearly everywhere reduces wages to the same low level. Their livelihood becomes even more precarious. Collisions between them and the capitalists assume ever more the character of collisions between two classes. "Thereupon the workers begin to form combinations (trade unions) against the bourgeoisie; they club together in order to keep up the rate of wages; they form permanent associations in order to make provision beforehand for these occasional revolts. Here and there the contest breaks out in riots."

The workers have occasional victories. Their unions become more expansive. Their growth is aided by the increased means of communication. The struggle becomes a national one. It also becomes political in its nature.

Labor Parties Emerge.—The proletarians form a polical party. The party is continually upset as a result of competition between the workers themselves. "But it ever rises up again, stronger, firmer, mightier. It compels legislative recognition of particular interests of the workers by taking advantage of the divisions among the bourgeoisie itself." The capitalists, involved in contests with other capitalists of their own and other countries, are often compelled to appeal to the workers for help. In so doing the ruling class "supplies the proletariat with its own elements of political and general education; in other words, it furnishes the proletariat with weapons for fighting the bourgeoisie."

Proletarization of Other Classes.—Further, entire sections of the ruling classes are precipitated into the working class or at least the conditions of their existence are threatened. "These also supply the proletariat with fresh elements of enlightenment and progress."

"Finally, in times when the class-struggle nears the decisive hour, the process of dissolution going on within the ruling class—in fact, within the whole range of an old society—assumes such a violent, glaring character that a small section of the ruling class cuts itself adrift and joins the revolutionary class, the class that holds the future in its hands. Just as, therefore, at an earlier period, a section of the nobility went over to the bourgeoisie, so now a portion of the bourgeoisie goes over to the proletariat, and in particular a portion of the bourgeois ideologists who have raised themselves to the level of comprehending theoretically the historical movement as a whole."

Labor the Only Revolutionary Class.—Of all the classes that face the capitalists, the proletariat alone is the really revolutionary class. Other classes—the small manufacturer, the peasant, etc.—finally disappear, fighting the while against the bourgeoisie to save themselves from extinction. They are reactionary, as they try to roll back the wheel of history. If revolutionary, they are so on account of their impending transfer to the proletariat. They de-

fend not their present but their future interests. "The social scum, that passively rotting mass thrown off by the lowest layers of old society, may, here and there, be swept into the movement by a proletarian revolution; its conditions of life, however, prepare it far more for the part of a bribed tool of reactionary intrigue."

Movement of Immense Majority.—The proletarian is without property. Modern subjection to capital has stripped him of every trace of national character. "Law, morality, religion, are to him so many bourgeois prejudices, behind which lurk in ambush just as many bourgeois interests." When other classes get the upper hand, they sought to subject society to their domination. The workers, however, "cannot become masters of the productive forces of society, except by abolishing their own previous mode of appropriation. They have nothing of their own to secure and fortify. . . . All previous historical movements were movements of minorities, or in the interest of minorities. The proletarian movement is a self-conscious, independent movement of the immense majority. The proletariat, the lowest stratum of our present society, cannot stir, cannot raise itself up without the whole superincumbent strata of official society being sprung into the air."

The struggle of the worker is at first a national struggle. "The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie." It later becomes international. "We traced," write the authors, "the more or less veiled civil war, raging within existing society, up to the point where that war breaks out into open revolution, and where the violent overthrow of the bourgeoisie lays the foundation for the sway of the proletariat."

Increasing Misery of Labor.—The serf, under serfdom, raised himself to membership in the commune. The petty bourgeois under feudalism managed to develop into the bourgeois. "The modern laborer, on the contrary, instead of rising with the progress of industry, sinks deeper and deeper below the conditions of his own class. He becomes a pauper, and pauperism develops more rapidly than population and wealth. And here it becomes evident that the

bourgeoisie is unfit any longer to be the ruling class in society, and to impose its conditions of existence upon society as an over-riding law. It is unfit to rule, because it is incompetent to assure an existence to its slave within his slavery, because it cannot help letting him sink into such a state that it has to feed him, instead of being fed by him."

Capitalists Produce Their Own Grave Diggers.—The essential condition of the existence of the capitalist class is the formation and increase of capital. The condition for capital is wage labor. Wage labor cannot exist without competition between laborers. The development of modern capital brings labor together into combinations, therefore cutting "from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie therefore produces, above all, are its own grave diggers. Its fall and the victory of the proletariat are equally inevitable."

Relation of Communists to Working Class.—After thus prophesying the downfall of capitalism and the supremacy of the producing class, Marx and Engels turn to the second section of the *Manifesto,* a section devoted to the relation of the workers to the communists or socialists. The authors insist that the communists or socialists are part of the working class and decry any idea of isolation.

The communists do not form a separate party opposed to other working-class parties.

They have no interest separate and apart from those of the proletariat as a whole.

They do not set up any sectarian principles of their own, by which to shape and mold the proletarian movement.

The communists are distinguished from other working class parties by this only: 1. In the national struggles of the proletarians of the different countries, they point out and bring to the front the common interests of the entire proletariat, independent of all nationality. 2. In the various stages of development which the struggle of the working class against the bourgeoisie has to pass through, they always and everywhere represent the interests of the movement as a whole. They are the most advanced and resolute section of the working classes of every country, that section which pushes forward all others; on the other hand,

theoretically, they have over the great mass of the proletariat the advantage of clearly understanding the line of march, the conditions, and the ultimate general results of the proletarian movement.

The immediate aim of the communists is the same as that of all the other proletarian parties: formation of the proletariat into a class, overthrow of the bourgeois supremacy, conquest of the power by the proletariat.

The conclusions of the communists are not based on ideas discovered by a universal reformer, but spring from an historical movement going on under our very eyes.

Answers Charges against Communists.—The remainder of the section takes up one by one the charges hurled at the communists. Communism does not intend to deprive any man of the power to appropriate the products of society, but merely "of the power to subjugate the labor of others by means of such appropriation." The capitalist bemoans the loss of culture resulting from a producer's regime, but capitalist culture for the enormous majority "is a mere training to act as a machine" The communists are accused of desiring community of women, but their whole point is merely the abolition of "the status of women as mere instruments of production. For the rest it is self-evident that the abolition of the present system of production must bring with it the abolition of the community of women springing from that system, i.e., of prostitution both public and private."

National Antagonisms Between Peoples Vanishing.—Communists are reproached for desiring to abolish countries and nationalities. "The working men have no country. We cannot take from them what they do not possess. Since the proletariat must first of all acquire political supremacy, must rise to be the leading class in the nation, it is, so far, itself national, though not in the bourgeois sense of the word. National differences and antagonisms between peoples are daily more and more vanishing, owing to the development of the bourgeoisie, to freedom of commerce, to the world market, to uniformity in the mode of production and in the conditions of life corresponding thereto. The supremacy of the proletariat will cause them

to vanish still faster. . . . In proportion as the exploitation of one individual by another is put an end to, the exploitation of one nation by another will also be put an end to. In proportion as the antagonism between classes within the nation vanishes, the hostility of one nation to another will come to an end."

The Communist Program.—The *Manifesto* then turns to the communist program. It maintains that "the first step in the revolution by the working class is to raise the proletariat to the position of ruling class, to win the battles of democracy. The proletariat will use its political supremacy to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the state, i.e., of the proletariat organized as the ruling class; and to increase the total productive forces as rapidly as possible."

In the beginning this cannot be accomplished except by measures "which appear economically insufficient and untenable, but which in the course of the movement outstrip themselves, necessitate further inroads upon the old social order, and are unavoidable as a means of revolutionizing the mode of production."

Immediate Demands.—The *Manifesto* thereupon enumerates some of these immediate measures. They include the abolition of property in land and application of all rents of land to public purposes; a heavy progressive or graduated income tax; abolition of all right of inheritance; confiscation of the property of all emigrants and rebels; centralization of credit in the hands of the state by means of a national bank with state capital and an exclusive monopoly; centralization of the means of communication and transport in the hands of the state; extension of factories and instruments of production owned by the state; the bringing into cultivation of waste lands, and the improvement of soil generally in accordance with a common plan; equal liability of all to labor; the establishment of industrial armies, especially for agriculture; combination of agriculture with manufacturing industries; gradual abolition of the distinction between town and country by

a more equitable distribution of the population over the country; free education of all children in public schools; abolition of children's factory labor in its present form; combination of education with industrial production, etc. A number of these immediate demands have since been secured by the workers. Other demands labor is still trying to achieve.

Working Class Abolishes Own Supremacy.—"When, in the course of development," the Second Section concludes, "class distinctions have disappeared and all production has been concentrated in the hands of a vast association of the whole nation, the political power will lose its political character. Political power, properly so called, is merely the organized power of one class for oppressing another. If the proletariat during its contest with the bourgeoisie is compelled, by the force of circumstances, to organize itself as a class, if, by means of a revolution, it makes itself the ruling class, and, as such, sweeps away by force the old conditions of production, then it will, along with these conditions, have swept away the conditions for the existence of class antagonisms, and of classes generally, and will therefore have abolished its own supremacy as a class.

"In the place of the old bourgeois society, with its classes and class antagonisms, we shall have an association in which the free development of each is the condition for the free development of all."

Criticism of Utopian Socialism.—A terse criticism of various forms of so-called socialism follows in Section III. "The attacks of the utopian socialists on every principle of existing society," declared Marx and Engels, "were full of the most valuable material for the enlightenment of the working class." On the other hand, the proletariat, yet in its infancy, offered to the utopians "a spectacle of a class without any historical initiative or any independent political movement. . . . Historical action is to yield to their personal inventive action, historically created conditions of emancipation to fantastic ones, and the gradual, spontaneous class organization of the proletariat, to an organization of society especially contrived by these inventors. Future

society resolves itself, in their eyes, into the propaganda of the practical carrying out of their social plans. . . . They habitually appeal to society-at-large, without distinction of class; nay, by preference, to the ruling class. For how can people, when once they understand their system, fail to see in it the best possible plan of the best possible state of society? Hence they reject all political, and especially all revolutionary action; they wish to attain their ends by peaceful means, and endeavor, by small experiments, necessarily doomed to failure, and by the force of example to pave the way for the new social gospel. . . ."

Cooperate with Other Democratic Forces.—The communists fight, we are told in the final section, "for the attainment of the immediate aims, for the enforcement of the momentary interests of the working class; but in the movement of the present they also represent and take care of the future of that movement." In France they ally themselves with one party, the Social Democracy; in Switzerland, Poland and Germany with other parties.

"In Germany, they fight with the bourgeoisie whenever it acts in a revolutionary way against the absolute monarchy, the feudal squirearchy, and the petit bourgeoisie," at the same time showing the masses the antagonism that exists between the bourgeoisie and the proletariat. They turn their attention chiefly to Germany, "because that country is on the eve of a bourgeois revolution" that is bound to be carried out under more advanced conditions than in England or France, and that will be but the prelude to an immediately following proletarian revolution. In short, the communists everywhere support every revolutionary movement against the existing social and political order of things. "Finally, they labor everywhere for the union and agreement of the democratic parties of all countries."

For Forcible Overthrow.—"The communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by a forcible overthrow of all existing social conditions. Let the ruling classes tremble at a communistic revolution. The proletarians have noth-

ing to lose but their chains. They have a world to gain.

"Working men of all countries, unite!"

An Estimate of the Manifesto.—The *Manifesto,* as Harold J. Laski has pointed out,[3] "gave direction and a philosophy to what had been before little more than an inchoate protest against injustice. It began the long process of welding together the scattered groups of the disinherited into an organized and influential party. It freed socialism from its earlier situation of a doctrine cherished by conspirators in defiance of government and gave to it at once a purpose and an historic background. It almost created a proletarian consciousness by giving, and for the first time, to the workers, at once a high sense of their historic mission and a realization of the dignity implicit in their task. It destroyed at a stroke both the belief that socialism could triumph without long preparation, and the hope that any form of economic organization was possible save that which was implicit in the facts of the time. It insisted upon no natural rights. It did not lay down any metaphysics. It was, on the contrary, a careful and critical historical survey of the institutional process regarded as a whole. It is a book of men who have viewed the whole process of history from an eminence and discovered therein an inescapable lesson. It is at once an epilogue and a prophecy—an epilogue to the deception from which the workers suffered in the Revolution in 1789, and a prophecy of the land of promise they may still hope to enter."

The Revolutions of 1848

The Condition of Europe.—The spirit and contents of the *Communist Manifesto* can only be understood when studied in relation to the condition of the times—the ruthless exploitation of men, women and children by the rising capitalists, described so vividly in Engels *Condition of the Working Class in England in 1844;* the startlingly revolutionary effects of machine production on all relationships

[3] Laski, Harold J., *Karl Marx: An Essay,* pp. 14-16.

during the preceding fifty or seventy-five years; the economic crises, increasingly severe; the utter lack of organization on the part of the worker, either on the industrial or the political field, except in scattered instances; the widespread disfranchisement of the working class in most European countries; and, finally, the many signs of rebellion and violence which were then in evidence.

The February Revolution in France.—A few weeks after the manuscript was sent to the printer, the French Revolution of February 24, 1848, broke out. During the previous eight years Guizot, who was constantly urging the King, Louis Philippe, to assume real power, ruled France as its Prime Minister. The political machinery was hopelessly corrupted. Power was concentrated in a few hands. Suffrage was denied to all except a few hundred thousand of the population. Open protests against social conditions were not tolerated. Discontent increased in volume to such an extent that Guizot was forced to resign. This resignation failed to satisfy the people. A formidable demonstration was organized on the night of February 23 before the Foreign Office in Paris. Shots were exchanged. Several were killed. Before the dawn of the twenty-fourth, the eastern part of the city was covered with barricades and the entire city was in a state of insurrection. Louis Philippe abdicated in favor of his grandson and that afternoon the republic was proclaimed, subject to ratification by the National Assembly. Many workers welcomed this revolution as the forerunner of a social revolution when labor would be the dominating force.

The Revolution Spreads.—On hearing of the February revolt in Paris, Metternich, the Austrian statesman, declared: "Europe finds itself in the presence of a second 1793." As Metternich suspected, the revolt was not confined to France. On March 13, a few weeks after the Paris *coup d'état,* the students of Vienna marched to the assembly hall with cries of "Down with Metternich," forcing that statesman to resign and flee. In Austria the people had for long suffered under a cruel despotism, a despotism where laws were passed and taxes exacted without con-

sulting the people; where peasants could not go from village to village without permission; where all newspapers and books were under strict police surveillance; and where the powerful Metternich was able to boast that he had kept the scientific spirit out of even the universities. Two days after Metternich's resignation, the Hungarian Diet dispatched delegates to the Emperor requesting a responsible government, and, under the influence of Kossuth, established their own ministries of finance, war and foreign affairs, and freed the peasants without compensation. The Czechs followed with their demands for civil liberty and the abolition of serfdom.

These upheavals, in turn, provided the impetus in Italy for countless revolts. In a few days, Italy, as a result of these uprisings, had caused the Austrian troops to evacuate a large portion of Lombardy and had set up a number of city republics.

There were simultaneous uprisings in Baden, in Wurtemberg, in Bavaria, and in Saxony. In Berlin, the populace demanded that the King grant Prussia a constitution. The King replied by calling a national assembly, chosen by popular vote, for the purpose of drafting one. About the same time, the Swiss people were occupied in sweeping away their old constitution of 1814, while the British Chartists were engaged in an attempt to wring from Parliament the right to vote. The revolution seemed to be on in earnest and many thought that the people, obtaining the suffrage, would soon go forward to economic emancipation. But the pendulum was not then destined to swing in that direction.

The June Defeat.—In Paris, the Provisional Government, immediately after the February revolution, decreed that the national workshops, advocated by Louis Blanc, should be established, that employment should be guaranteed to all, and that a committee should be set up in Luxemburg Palace to look after the interests of the working class. Blanc and Albert, at the head of this committee, saw in this gesture a new day for the workers. They convened a labor parliament made up of delegates from the

various trades, and, on the opening day of this parliament in Luxemburg Palace on March 10, Blanc enthusiastically remarked:

"On these same seats, glittering with embroidered coats, what do I see now? Garments threadbare with honorable toil, some perhaps bearing the marks of recent conflict."

The business elements in the Provisional Government, however, in voting for its various decrees, had no intention of conceding Blanc's program to the workers. They passed these measures as a means of allaying unrest until the conservative rural population could be heard from and could elect their representatives to the National Assembly. While voting formally for labor measures, they failed to make appropriations to carry them out. The work offered to the unemployed consisted largely of the digging of ditches and the building of forts at two francs a day. In May, the National Assembly was elected by universal suffrage. It was chiefly representative of the more moderate republicans who had little sympathy with socialistic legislation. On meeting, it closed the national workshops and gave the discharged workers the alternative of joining the army or quitting the city. The people rallied to the cry of "bread or lead," and from Friday, June 23, to the following Monday they engaged in the most terrific fighting against government troops on the Paris streets. Half-starved and poorly equipped, the workers were easily defeated by General Cavaignac with his well-disciplined troops. In defeat, they were treated with severity. Four thousand of them were transported without trial; the leaders were imprisoned and their papers suppressed.

The June defeat was followed by the election of Louis Bonaparte to the presidency and the transformation in 1852 of the republic into the Second Empire.

Reaction in Other European Countries.—In the Austrian Empire, the republicans also suffered defeat. Race rivalry among them in Bohemia led to a division which gave to General Windischgrätz a chance to bombard Prague and defeat the rebels. Flushed with success, he proceeded to Vienna, gave new courage to the monarchy, marched to

Hungary, dissolved the Hungarian parliament, and took a terrible revenge on the rebels. He also assisted in restoring Austria's power over Italy.

In Berlin, the assembly, proposing, from the standpoint of the monarchy, a too liberal constitution, was dissolved, and a constitution finally adopted which gave little power to the people. The radicals found the country a difficult place for them and many thousands of them sought in America a refuge from political persecution.

Dissolution of Communist League.—The defeat of the European insurrections drove into comparative obscurity the revolutionary movements of the European working class. For years thereafter, the struggle was one between various sections of the owning class. "The working class fight," as Engels has it, "was reduced to a fight for political elbow room, and to the position of the extreme wing of the middle-class radicals. Wherever independent proletarian movements continued to show signs of life, they were ruthlessly hunted down."[4]

The members of the Central Board of the Communist League, located in Cologne, were arrested by the Prussian police and subsequently imprisoned for terms varying from three to six years. Immediately following the sentence, the League was dissolved and it looked for a time as if the influence of the *Communist Manifesto* would cease with the burial of the League. It was yet, however, destined to play a powerful part in the labor movement of the world.

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CHAPTER XV

MARX'S CAREER AFTER 1848

Invitation to France.—The European upheaval, followed by the reaction, had a profound effect on Marx's future career. The first result of the February revolt on his personal fortunes was his banishment from Belgium by a government fearful that the revolution might spread northward. The French Revolutionists, however, at that time extended a cordial invitation to him to visit Paris.

"Brave and Faithful Marx," writes Ferdinand Flocon of the Provisional Government, in a letter dated March 1, 1848, "the soil of the French Republic is a place of refuge for all friends of freedom. Tyranny has banished you; France the free opens to you her gates—to you and to all who fight for the holy cause, the fraternal cause of all the people. In this sense shall every officer of the French government understand his duty."[1]

In France Marx gathered together some of the members of the League of Communists and assisted them in returning to Germany to take part in the German revolution. Marx and Engels also proceeded to the Rhineland, and the former became editor, in June, 1848, of the *Neue Rheinische Zeitung*, a paper which passed through a stormy career during the next year or so.

Back to Germany.—In his *Rheinische Zeitung* articles, feeling that a peaceful path to the revolution was closed to the workers (they had not at that time created any powerful agencies in the political and economic field through which to express themselves), and that labor was ripe for another revolt in the not distant future, Marx advocated the disarming of the bourgeoisie, the erection of revolutionary terrorism "to abridge and concentrate the

[1] Quoted in Beer, *Life and Teaching of Karl Marx*, p. 49.

hideous death agonies of society," and the creation of a revolutionary army.

In his last issue, in May, 1849, he showed his anticipation —despite reaction then prevailing—of a speedy victory for the workers. "Already in the east," he declared, "a revolutionary army composed of warriors of all nationalities stands confronting the old Europe represented by and in league with the Russian Army; already from Paris looms the Red Republic." [2] His hopes, however, were not then to be realized.

Engel's Change in Tactics.—Years after, in 1895, six months before his death, Friedrich Engels thus acknowledged the mistake made by Marx and himself in judging the time of the revolution and the tactics that the workers should adopt in bringing about the great change:

"History proved us in the wrong, and revealed our opinion of that day (1848–50) as an illusion. History went even further; not only did it destroy our former error but also transformed the conditions under which the proletariat will have to battle. The fighting methods of 1848 are today obsolete in every respect. . . .[3]

"History has made clear that the status of economic development on the Continent was then by no means ripe for the abolition of capitalist production; it has proved this by the economic revolution which, since 1848, has affected the entire continent and has introduced large industry in France, Austria, Hungary, Poland, and, more recently, in Russia, and has made of Germany an industrial nation of first rank—all this upon a capitalist basis which, reckoning from 1848, implies great expansive capacity." [4]

Engels on the Franchise.—Continuing, Engels declared that the workers were learning how to change the ballot from a means of duping into an instrument of emancipation. The franchise had increased the feeling of the certainty of victory and had permitted the workers to ascertain their own strength and that of their enemies. It had

[2] *Ibid.*, p. 50.
[3] *Class Struggles in France,* (N. Y. Labor News Co.), pp. 7-8.
[4] *Ibid.*, pp. 10-11.

furnished the workers, during election times, with a means of getting into touch with the masses, of forcing all parties to defend their views. It had supplied their representatives with a tribune from which they could address their opponents in Parliament and the masses outside with freedom. "And so it came about that bourgeoisie and government feared far more the legal than the illegal action of the workers' party, more the successes of the elections than those of rebellion." [5]

Barricade Fighting Days Over.—Engels declared that barricade fights had by 1895 become antiquated. "Let there be no illusions about this: the real victory over the military in a street battle, a victory as between two armies, belongs to the greatest rarities. . . . The utmost the insurrection can accomplish in a tactical action is the proper erection and defence of a single barricade."

On the side of the military, he continued, is the control of large ordnance and of fully equipped and thoroughly trained engineering troops. Already by 1849, the chances of success were small. The bourgeoisie had gone over to the side of the government. The barricades had lost their charm. The soldiers saw behind them no longer the "people," but rebels. The officers had become familiar with the tactical forms of street fighting. Since then all had been in favor of the military. Armies had become larger. By means of railroads, garrisons might be doubled within twenty-four hours. The armament of the enormously augmented troops had become incomparably more effective. Solid projectiles and case shots of the artillery had given place to the percussion shell that sufficed to shatter the best barricades.

"The time is past," he continued, "for revolutions carried through by small minorities at the head of unconscious masses. . . . The irony of history turns everything upside down. *We, the 'revolutionists,' the 'upsetters,' we strive much better with legal than with illegal means in forcing an overthrow.* The parties of order, as they call them-

[5] *Ibid.*, p. 19.

selves, perish because of the legal conditions set up by themselves." [6]

Marx Writes on the Revolution.—So Engels wrote forty-five years after he and Marx sounded their clarion calls to immediate revolt in the columns of the *Rheinische Zeitung*. The workers failed, however, to heed the call of the young editors and the paper suspended after a year and a half of struggle. Following suspension, Marx paid out of his own pocket no less than 7000 thalers, to obtain which he sold practically all his possessions. With his paper gone, he traveled to Paris to witness the Red Revolution, but instead came face to face with the counter-revolution. In 1849, he was banished from Paris and went to London where he spent practically the remainder of his life.

Marx spent the first few months in London writing on the European revolutions, preparing the *Eighteenth Brumaire of Louis Bonaparte* on the French revolt and writing his brilliant articles on the German situation for the New York *Tribune*, later published under the title, *Revolution and Counter-Revolution*. The real cause of the February and March revolts, he maintained, was the world commercial crisis. The cause of the reaction, on the other hand, was the industrial prosperity that gradually arrived during the summer of 1848, and that developed full bloom in 1849–50.

His articles on the German revolution brought out the folly of blaming the failure of a revolution upon the betrayal of any one individual. They also emphasized how difficult of success is the *coup d'état* method of revolution in a country which, like Germany, had not one, but many important centers that must be taken before the ground won could be retained. Marx declared:

"When you inquire into the causes of the counter-revolutionary successes, there you are met on every hand with the ready reply that it was Mr. This or Citizen That who betrayed the people. Which reply may be very true or not, according to circumstances, but under no circumstance does it explain anything—not even show how it

[6] *Ibid.*, pp. 22-7.

came to pass that the 'people' allowed themselves to be thus betrayed. And what a poor chance stands a political party whose entire stock-in-trade consists in a knowledge of the solitary fact that citizen So and So is not to be trusted."[7]

In Germany, Marx pointed out, the mass of workers were employed by small tradesmen, whose entire manufacturing system was a mere relic of the Middle Ages. Industrial workers were in a minority. There were large numbers of peasantry—small freeholders, feudal peasants and agricultural laborers. There was thus an unsubstantial foundation for a successful revolution. He added:

"When the interests so varied, so conflicting, so strangely crossing each other, are brought into violent collision; when these contending interests in every district, every province, are mixed in different proportions; when, above all, there is no great center in the country, no London, no Paris, the decisions of which, by their weight, may supersede the necessity of fighting out the same quarrel over and over again in every single locality; what else is to be expected but that the contest will dissolve itself into a mass of unconnected struggles, in which an enormous quantity of blood, energy, and capital is spent, but which, for all that, remain without any decisive results."[8]

Life in London.—For years while in London, Marx was an almost daily visitor to the British Museum, and could be seen there from the opening time in the morning until the attendants sent the readers home, poring over books on economics, history, political and social science, gathering material for his great book, *Capital.*

He and his family during those days were in dire want. They lived in a two room apartment in Dean Street, London, near Soho, in the humblest style. In 1852 the story goes that he sent his last coat to the pawnshop in order to buy paper for the pamphlet on the Cologne Communist trial. His only regular source of income during the years 1851–60 was a sovereign an article from the New York *Tribune.*

[7] *Revolution and Counter-Revolution,* pp. 2-3. [8] *Ibid.,* p. 11.

In the sixties, however, the fortunes of Marx were improved by a small legacy of 800 pounds from his friend, Wilhelm Wolff, and by Engels' annual contribution of about 350 pounds. Wolff's legacy enabled him to write his first volume of *Capital.*

The Critique of Political Economy.—Marx in 1859 published the *Critique of Political Economy,* originally intended as the first instalment of a complete treatise on political theory. This plan was finally abandoned. The value of the book lies chiefly in its formulation of the economic interpretation of history and of the Marxian theory of value, and partly in its historical sketches of money and value theories.

The Sixties.—The sixties were Marx's happiest years. He was a genial host and spent countless Sunday evenings with his family and friends. His wife was a helpmate in the best sense of that word. Despite her early aristocratic surroundings and the hardships and persecutions suffered at the side of her husband, she never regretted her alliance with him.

"Heinrich Heine, the relentless satirist," wrote Paul Lafargue, "feared Marx's scorn; but he cherished the greatest admiration for the keen, sensitive mind of Marx's wife. Marx esteemed so highly the intelligence and critical sense of his wife that he told me in 1866 that he submitted all of his manuscripts to her and that he set a high value upon her judgment."[9]

Marx had six children, four girls and two boys, of whom three survived—Jenny, afterwards the wife of Charles Longuet; Laura, the wife of Paul Lafargue, and Eleanor, who married Dr. Edward Aveling.

Marx's Address to the First International.—In 1863 a gigantic protest meeting was arranged in London, directed against Russia's attack on Poland. Odger, a trade union leader, suggested regular international meetings. A conference was finally arranged in London from September 25 to 28, 1864. Marx was asked to be present as a representative of the German workingmen. The conference gave

[9] Beer, *op. cit.,* p. 53.

birth to the International Working Men's Association, at St. Martin's Hall, London—the First International of labor.

Marx wrote the "Inaugural Address" and the declaration of principles. The address gives a history of the English workers from 1825 to 1864 and deals with the tremendous growth in trade and commerce during the period from 1848 to 1864, maintaining that "the intoxicating augmentation of wealth and power is entirely confined to the propertied classes."[10] Concentration in land had increased from 1851 to 1861. The workers were sinking to a lower depth of misery, while those above them were rising in the social scale.

However, some constructive measures had been forced on society by the working class. One of these was the Ten Hour Day. Economists have heretofore argued that such a measure would sound the death knell of British industry; that industry could live only by the blind rule of supply and demand. "The Ten Hour Bill was, therefore," Marx affirmed, "not only a great practical measure; *it was a victory of a principle; it was the first time that in broad daylight the political economy of the middle classes succumbed to the political economy of the working class.*" (Italics ours.) It had also contributed "immense physical, moral and intellectual benefits to the factory operatives."

"But there was in store a still greater victory of the political economy of labor over the political economy of property. We speak of the cooperative movement, especially the cooperative factories raised by the unassisted efforts of a few bold 'hands.' The value of these great social experiments cannot be over-rated. By deed instead of by argument, they have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands; that to bear fruit,

[10] *Address and Provisional Rules of the International Working Men's Association,* London: The Labor and Socialist International, 1924.

the means of labor need not be monopolized as a means of dominion over, and of extortion against, the laboring man himself; and that, like slave labor, like serf labor, hired labor is but a transitory and inferior form, destined to disappear before associated labor playing its part with a willing hand, a ready mind, and a joyous heart."[11]

Nevertheless, "if kept within the narrow circle of the casual efforts of private workmen" cooperation "will never be able to arrest the growth in geometrical progress of monopoly, to free the masses nor even perceptibly to lighten the burden of their miseries. It ought to be developed to national dimensions, and, consequently, to be fostered by national means. . . .

"To conquer political power has become the great duty of the working classes . . . one element they possess—numbers; but numbers weigh only in the balance if united by combination and led by knowledge." The fight for a foreign policy based on the morals and justice which should govern the relations of private individuals, is also a part of the general struggle for the emancipation of the working class.

This *Address to the Working Classes* was delivered before the International in 1864. The following year Marx sent to the Workingmen's International Association another communication embodying his theory of value, published as *Value, Price and Profit*, after his death, and considered one of the clearest expositions of the theory of value made by Marx.[12]

Capital.—Three years after his Inaugural Address, in the year 1867, Marx published the first German edition of his monumental work, *Capital.* As the sub-title indicates, this volume of some 800 pages is intended as a "critical analysis of capitalist production." In his Preface, Marx apologizes for the long lapse between the *Critique of Political Economy* (published in 1859) and *Capital*, "due to an illness of many years' duration" that again and again interrupted his work. He has taken England as his chief illustration of modern industry, he declares, because

[11] *Ibid.*, p. 10.

[12] See *post*, pp. 203-10.

it is the classic land of capitalism. Moreover, the more highly developed capitalist country "shows to the less developed, the image of its own future." [13] Perhaps the most striking passage in the Preface is that which sets forth Marx's concept of the character of the future trend of social developments:

> As in the eighteenth century, the American War of Independence sounded the tocsin for the European middle-class, so in the nineteenth century the American civil war sounded it for the European working-class. In England, the progress of social disintegration is palpable. When it has reached a certain point, it must react on the Continent. *There it will take a form more brutal or more humane, according to the degree of development of the working-class itself. Apart from higher motives, therefore, their own most important interests dictate to the classes that are for the nonce the ruling ones, the removal of all legally removable hindrances to the free development of the working class.*
>
> For this reason, as well as others, I have given so large a space in this volume to the history, the details, and the results of English factory legislation. One nation can and should learn from others. *And even when a society has got upon the right track for the discovery of the natural laws of its movement*—and it is the ultimate aim of this work to lay bare the economic law of motion of modern society—*it can neither clear by bold leaps, nor remove by legal enactments, the obstacles offered by the successive phases of its normal development. But it can shorten and lessen the birth pangs.* (Italics ours.) [14]

The last-named passage has been quoted frequently by non-bolsheviks in support of their contention that an attempt to jump stages of economic development is impossible of accomplishment. Marx concludes his Preface with an expression of his belief that a radical change is in evidence in the relations between capital and labor in England, on the continent and in America. After mentioning a few indications of such a change, he adds:

"These are signs of the times not to be hidden by purple mantles or black cassocks. They do not signify that tomorrow a miracle will happen. They show that, within the

[13] Marx, *Capital* (London: Sonnenschein), p. xvii.
[14] *Ibid.*, pp. xviii-xix.

ruling class themselves, a foreboding is dawning, that the present society is not solid crystal, but an organism capable of change, and is constantly changing." [15]

The book itself treats of the nature of commodities, money, capital, and their interrelations. It explains at length the author's theory of surplus value. It shows the revolutionary effect of machinery upon the life of the worker and upon society as a whole and calls attention to the results obtained by the Factory Acts up to that time. It finally develops "the general law of capitalist accumulation."

Law of Capitalist Accumulation.—As capitalist production grows apace, Marx maintains, capital concentrates in fewer and fewer hands. The productiveness of labor increases, the demand for additional labor decreases, and, with this decrease, the army of the unemployed constantly enlarges. "But the greater this reserve army in proportion to the active labor army, the greater is the mass of a consolidated surplus-population. The more extensive, finally, the lazarus-layers of the working class, and the industrial reserve army, the greater is official pauperism. *This is the absolute general law of capitalist accumulation.* Like all other laws it is modified in its working by many circumstances." [16]

Accumulation of Misery.—The accumulation of capital is thus accompanied by an accumulation of misery. In letters of fire Marx sets forth the tragic condition of the workers under machine production.

> Within the capitalist system . . . all means for the development of production transform themselves into means of domination over, and exploitation of, the producers; they mutilate the laborer into a fragment of a man, degrade him to the level of an appendage of a machine, destroy every remnant of charm in his work and turn it into a hated toil; they estrange from him the intellectual potentialities of the labor process in the same proportion as science is incorporated in it as an independent power; they distort the conditions under which he works, subject him during the labor process to a despotism the more hateful for its meanness.

[15] *Ibid.*, p. xx. [16] *Ibid.*, p. 660.

They transform his life time into working time, and drag his wife and child beneath the wheels of the Juggernaut of capital. But all methods for the production of surplus-value are at the same time methods of accumulation; and every extension of accumulation becomes again the means for the development of those methods. *It follows therefore that in proportion as capital accumulates, the lot of the laborer, be his payment high or low, must grow worse.* (Italics ours.)

The law, finally, that always equilibrates the relative surplus-population, or industrial reserve army, to the extent and energy of accumulation, this law rivets the laborer to capital more firmly than the wedge of Vulcan did Prometheus to its rock. It establishes an accumulation of misery, corresponding with accumulation of capital. *Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole, i.e., on the side of the class that produces its own product in the form of capital.*[17] (Italics ours.)

This passage expresses the Marxian "increasing misery theory," which has been so frequently challenged during these later years.

In support of this theory of capitalist accumulation, Marx marshals as witnesses the statesmen and economists of England. He quotes Gladstone in 1843 as saying that "while there was a decrease in the consuming powers of the people, and while there was an increase in the privations and distress of the laboring class and operatives, there was at the same time a constant accumulation of wealth in the upper classes, and a constant increase in capital."[18]

Twenty years later (1863), Gladstone described the "intoxicating augmentation of wealth and power" on the part of the propertied classes, while expressing uncertainty as to whether the condition of the worker had improved. Marx also quotes Professor Fawcett's statement that "the rich grow rapidly richer, whilst there is no perceptible advance in the comfort enjoyed by the industrial classes. . . . They (the laborers) become almost the slaves of the tradesman, to whom they owe money."[19] He follows these quotations with statistics after statistics, laying bare the utter misery of the masses of the people and the increasing army of the unemployed.

[17] *Ibid.*, pp. 660-1. [18] *Ibid.*, p. 667. [19] *Ibid.*, p. 669.

Capitalism Digging Its Own Grave.—This contradiction in capitalist society, he maintains, is forcing capitalism to dig its own grave. "Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; *but with this too grows the revolt of the working class, a class always increasing in numbers, and disciplined, united, organized by the very mechanism of the process of capitalist production itself.* The monopoly of capital becomes a fetter upon the mode of production, which has sprung up and flourished along with it, and under it. Centralization of the means of production and socialization of labor at last reach a point where they become incompatible with their capitalist integument. This integument is burst asunder. The knell of capitalist private property sounds. The expropriators are expropriated, and the capitalist era gives birth to an industrial society based on the possessions in common of the land and of the means of production." [20]

Change Less Violent Than Former Revolution.—Let no one think, Marx continues, that this change will bring with it the same misery as did the industrial revolution that heralded in capitalism.

"The transformation of scattered private property, arising from individual labor, into capitalist private property is, naturally, a process, incomparably more protracted, violent, and difficult, than the transformation of capitalistic private property, already practically resting on socialized production, into socialized property. In the former case, we had the expropriation of the mass of the people by a few usurers; in the latter, we have the expropriation of a few usurers by the mass of the people." [21]

Reception of Capital.—In describing the reception of the first edition of his book, Marx afterwards remarked that "the learned and unlearned spokesmen of the German bourgeoisie" tried first to kill it by silence, as they had managed to do with his earlier writings, but that as they found that these tactics no longer fitted in with the condi-

[20] *Ibid.*, pp. 788-9. [21] *Ibid.*, p. 789.

tions of the times, they wrote, under pretense of criticizing his book, prescriptions for the "tranquillization of the bourgeois mind." [22]

The book ultimately assumed the place of honor among all working class classics, and has time without number been referred to as the "Bible of the working class." [23]

Divisions in the International.—For the next several years after the publication of *Capital,* Marx gave much thought and energy to the development of the International, which he looked upon with high hopes. "Things are moving," he wrote to Engels in 1867, with his usual optimism, "and in the next revolution, which is perhaps nearer than it seems, we (i.e., you and I) have this powerful machinery in our hands." [24] From the first there was a fierce struggle among various elements to control the International which Marx regarded as an agency paving the way to revolution. Roughly speaking it was controlled by the followers of Proudhon from 1865 to 1867, by Marx from 1868 to 1870 and by the Bakunists from 1871 to its downfall a year or so later. Only the Marxian group favored political action. The others strove for the federative economic form of social organization. The Bakunists were communists, although the Proudhonists bitterly opposed the communist program. The International was divided not only on theoretical lines, but on racial and national lines. Marx was denounced as dictatorial and as a Pan-German. In the midst of these controversies came the Franco-Prussian war and the Commune of 1871.

The Franco-Prussian War and the French Commune.—During the Franco-Prussian War, Marx strongly urged the German workers to prevent the war from becoming a war of aggression. "If the German working class allow the present war to lose its strictly defensive character and to degenerate into a war against the French people," he wrote prophetically in behalf of the General Council of the Inter-

[22] *Ibid.,* p. xxv.

[23] The second and third volumes of *Capital* were not published until after Marx's death. The years of publication were 1885 and 1894 respectively.

[24] *Correspondence of Marx and Engels,* Vol. III, p. 406.

national Workingmen's Association, July 23, 1870, "victory or defeat will prove alike disastrous. All the miseries that befell Germany after her war of Independence will revive with accumulated intensity." [25]

A few days after the defeat of the French at Sedan in September 3, 1870, Marx addressed another letter to the General Council, asking that the French workers stand by the Provisional Government and against any revolutionary action to bring about an immediate working class commune. "Any attempt to overthrow the new government, when the enemy is already knocking at the gates of Paris," he wrote in this address, "would be a hopeless piece of folly. The French workers must do their duty as citizens. . . . Let them quietly and with determination make the most of the Republican freedom granted to them, in order to carry out thoroughly the organization of their own class. That will give them new Herculean strength for the rebirth of France and for our common task—the emancipation of the proletariat." [26]

The French workers, however, fearful of the monarchical tendencies of the National Assembly, and suffering keenly from unemployment and from hunger, paid little heed to Marx. The Paris Commune was proclaimed on March 18, 1871. Seven weeks thereafter it was overthrown with bloody massacre. Despite his letter advising against the uprising, Marx later defended the workers with great energy for their part in the Commune.

Removal of First International.—Following the fall of the Commune, the First International found that its field for practical action had been cut off for some time to come. The sectarian and revolutionary conspiracies within the International found a fertile field. As general secretary of the International, Marx, who was crowded more and more by work, and was extremely anxious to finish his *Capital,* suggested a transfer of the Association to New York. At the Hague Convention of 1872, the majority, following his

[25] Marx, Karl, *The Civil War in France,* pp. 4-5 (London: Labor Publishing Co., 1921).

[26] See Marx, *op. cit.,* Second Address, quoted in Beer, *op. cit.,* p. 60.

advice, resolved to move the headquarters to the American metropolis.

Transition Different in Different Countries.—In a notable speech on tactics made at this Convention, Marx took the position that the methods of revolution could not be the same in all countries, and that in England and America the revolution might be attained by peaceful means. He said:

"The worker must one day capture political power in order to found the new organization of labor. He must reverse the old policy, which the old institutions maintain, if he will not, like the Christians of old who despised and neglected such things, renounce the things of this world. But we do not assert that the way to reach this goal is the same everywhere. We know that the institutions, the manners and the customs of the various countries must be considered, and *we do not deny that there are countries like England and America, and, if I understood your arrangements better, I might even add Holland, where the worker may attain his object by peaceful means.* But not in all countries is this the case."[27] (Italics ours.)

After its removal to America, the International lingered on awhile, and, in 1876, finally went entirely out of existence. With the passing of the First International and the downfall of the Commune, the working class movement gradually as a whole rid itself of the idea of progress through secret conspiracies and the *coup d'état* methods. The idea of violent change did not gain any great number of adherents again until the Russian revolution over a half century later.

Marx and the Gotha Program.—Following the virtual demise of the International, Marx continued his literary work. In 1875 he locked horns with the social democratic followers of Lassalle over the Gotha Program on several points and defined his position toward the state, socialism and capitalism. In his criticism of the Gotha Program[28]

[27] See Kautsky, *Dictatorship of the Proletariat*, pp. 8 and 9.

[28] Marx, Karl, *The Gotha Program* (N. Y.: Socialist Labor Party, 1922), p. 19.

he denied the complete validity of Lassalle's "iron law of wages"; brought to task those who failed to believe that "nature was just as much the source of use-values as labor"; attacked the proposal of state aid to producers' cooperatives and scoffed at the assumption that in the mere formulation of programs lies the salvation of the workers. *"Every real advance step of the movement,"* he declared, *"is more important than a dozen platforms."* (Italics ours.)

It was in this famous document that Marx' brief allusion to the "dictatorship of the proletariat" appeared. It reads:

"Between the capitalist and the communist systems of society lies the period of the revolutionary transformation of the one into the other. This corresponds to a political transition period, whose state can be nothing else but the revolutionary dictatorship of the proletariat."[29] The interpretations of this short paragraph have since been legion.

Marx on Compensation.—Marx's statement regarding remuneration under a socialist form of society is of interest to those who would immediately institute a system of compensation according to needs:

"In the higher phase of communist society, after the enslaving subordination of the individual under the division of labor has disappeared, and therewith also the opposition between manual and intellectual labor; after labor has become not only a means of life, but also the highest want in life; when, with the development of all the faculties of the individual, the productive forces have correspondingly increased, and all the springs of social wealth flow more abundantly—only then may the limited horizon of capitalist right be left behind entirely, and society inscribe on its banners: 'From everyone according to his faculties, to everyone according to his needs.' "[30]

Marx's Last Days.—From 1875 until his death in 1883 Marx suffered incessantly from bodily ailments. During his enforced leisure, he made special studies of American and Russian agricultural conditions and busied himself with many other subjects. He visited Karlsbad in 1877–8 to recover his health and there got together material for the

[29] *Ibid.*, p. 48. [30] *Ibid.*, p. 31.

second volume of *Capital*. Karlsbad and other watering places, however, failed to effect a cure, and, on March 14, 1883, he died.

"Mankind is less by a head," wrote Engels to his American friend, Sorge, "and indeed by the most important head it had today. The working class movement will pursue its course, but its central point, to which French, Russians, Americans, and Germans turned of their own accord in decisive moments, always to receive that clear, unambiguous counsel which genius and perfect mastery alone can give—is gone." [31]

His Burial.—On Saturday, March 7, 1883, Marx was buried at Highgate Cemetery, London. Friedrich Engels and William Liebknecht, who had hurried from Germany to attend the funeral, spoke, among others, at the grave of Marx.

"Just as Darwin discovered the law of the evolution of organic nature," declared Engels, "so Marx discovered the evolutionary law of human history—the simple fact, hitherto hidden under ideological overgrowths, that above all things men must eat, drink, dress, and find shelter before they can give themselves to politics, science, art, religion or anything else, and that therefore the production of the material necessaries of life and the corresponding stage of the economic evolution of a people or a period provides a foundation upon which the national institutions, legal systems, art and even the religious ideas of the people in question have been built, and upon which, therefore, their explanation must be based." [32]

"He has raised social democracy," declared Liebknecht, "from a sect, from a school, to a party which now already fights unconquered, and in the end will win the victory."

An Appraisal.—The years that have intervened since his death have shed new lustre on his name, and have given him a secure place as one of the great economists, social scientists, historians and leaders of the working class movement of all time. He made his mistakes in calculating the speed with which the great change was to be brought about,

[31] Beer, *op. cit.*, p. 62. [32] *Ibid.*, p. 63.

but he prophesied with remarkable insight the general direction of that change. "He put in the forefront of social discussion," declares Harold J. Laski, "the ultimate question of the condition of the people. And he performed the incalculable service of bringing to it a message of hope in an epoch where men seemed to themselves to have become the hapless victims of a misery from which there was no release. In every country of the world where men have set themselves to the task of social improvement, Marx has been always the source of inspiration and prophecy." [33]

"Where he was also irresistibly right," continues Laski, "was in his prophecy that the civilization of his epoch was built upon sand. And even the faults of his prophecy may be pardoned to an agitator in exile to whom the cause of the oppressed was dearer than his own welfare."

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CHAPTER XVI

THEORETICAL FOUNDATION OF MARXISM

The Economic Interpretation of History and Class Struggle

The Meaning of the Term.—The three cornerstones of Marxian theory are the materialist or economic interpretation of history, the doctrine of the class struggle and the concept of surplus value.

The materialist or economic interpretation of history, to which we have referred elsewhere, means that in any given epoch the economic relations of society, the means whereby men and women provide for their sustenance, produce, exchange and distribute the things they regard as necessary for the satisfaction of their needs, exert a preponderating influence in shaping the progress of society and in molding political, social, intellectual and ethical relationships.[1]

[1] Edward Aveling in his *Charles Darwin and Karl Marx* (Twentieth Century Press, 1897, pp. 10-11, thus defines this theory:

"The materialistic conception of history is that the chief, the fundamental factor in the development of any nation or any society, is the economic factor—that is, the way in which the nation, or the society, produces and exchanges its commodities. . . .

"Now, whilst it [the economic factor] appears to be the fundamental one, there are others developed from it and reflexes of it, that also play their parts, acting and reacting upon their parent, the economic factor, and one another. The art, the science, the literature, the religion, the legal and juridical formulae of a country, although they all spring directly from the economic conditions of the country, have to be reckoned with."

"We understand by the theory of economic interpretation of history," writes Professor E. A. R. Seligman (*Economic Interpretation of History*, p. 67), "not that all history is to be explained in economic terms alone, but that the chief considerations in human progress are the social considerations, and that the important factor in social change is the economic factor. Economic interpretation of history means, not that the economic relations exert an exclusive influence, but that they exert a preponderant influence in shaping the progress of society."

Marx nowhere formulated that theory in a comprehensive manner, although he referred to it in many portions of his writings, particularly in the *Communist Manifesto* and the Preface to the *Poverty of Philosophy*. A projected book on *Logic* in which he planned to examine the theory in detail was never written. His aim had been not to discover origins of things, but the causes of social change and development. He searched for the "dynamic law of history."

Predecessors of Marx.—Predecessors of Marx had found the explanation of the great changes in history in "great men," in the development of ideas, in religious beliefs, in the change of political systems, or in the physical environment—in climate, food and soil.[2]

Suggestions of the theory were found in the works of a number of the utopian writers, but, as Professor Seligman puts it, "if originality can properly be claimed only for those thinkers who not alone formulate a doctrine but first recognize its importance and implications, so that it thereby becomes a constituent element in their whole scientific system, there is no question that Marx must be recognized in the truest sense as the originator of the economic interpretation of history."[3]

From the study of Hegel, the young social scientist had become a firm believer in the idea of *process*, the belief that all that exists is destined some day to pass out of existence, and that growth and change occur as a result of the conflict of opposites. He was also strongly influenced by the naturalistic interpretation of Feuerbach, and "the naturalism of Feuerbach, combined with the conception of process in the dialectic of Hegel, led him finally to the theory that all social institutions are the result of a growth, and that the causes of this growth are to be sought not in any idea, but in the conditions of material existence. In other words it led him to the economic interpretation of history."[4]

Marx's Explanation of Theory.—In his Preface to the

[2] See Seligman, *Economic Interpretation of History*, Ch. I.
[3] *Ibid.*, pp. 52-3.
[4] *Ibid.*, p. 23.

Critique of Political Economy, Marx explains how, in revising Hegel's *Philosophy of Law,* he was led to the conclusion that "legal relations as well as forms of state could neither be understood by themselves, nor explained by the so-called general progress of the human mind, but that they are rooted in the *material conditions of life.*"

"The general conclusion at which I arrived and which, once reached, continued to serve as the leading thread in my studies," he added, "may be briefly summed up as follows: In the social production which men carry on they enter into definite relations that are indispensable and independent of their will; these relations of production correspond to a definite stage of development of their material powers of production. The sum total of these relations of production constitutes the economic structure of society—the real foundation on which rise legal and political superstructures and to which correspond definite forms of social consciousness. *The mode of production in material life determines the general character of the social, political and spiritual processes of life.*" [5]

In changing the modes of production [Marx maintains in his *Misery of Philosophy* (1847)[6]], mankind changes all its social relations. The hand mill creates a society with the feudal lord; the steam mill a society with the industrial capitalist. The same men who establish social relations in conformity with their material production also create principles, ideas and categories in conformity with their social relations. . . . All such ideas and categories are therefore historical and transitory products.

Marx and Engels in 1848 pointed out in the *Communist Manifesto* how the bourgeoisie, in revolutionizing the means of production, change, in so doing, the entire character of society. Following the *Manifesto,* Marx made several attempts to apply his theory to the existing political situation. In his work on *Capital,* published in 1867, he nowhere formulates his theory, but continually takes it for granted. Continental writers in general failed to grasp the real sig-

[5] Marx, *Critique of Political Economy,* p. 11.
[6] Quoted in Seligman, *op. cit.,* p. 35-6.

nificance of the theory until the publication in 1894 of the third volume of *Capital,* with its great amount of historical interpretation.

The Economic Not the Only Factor.—Much of the criticism aimed at the economic interpretation of history is based on the assumption that Marx and Engels utterly denied the influence of any except the economic factor. This they did not do, although at times, in the rough and tumble of debate, they failed sufficiently to safeguard themselves against that charge.

"Marx and I," wrote Engels to a student in 1890, "are partly responsible for the fact that the younger men have sometimes laid more stress on the economic side than it deserves. In meeting the attacks of our opponents it was necessary for us to emphasize the dominant principle, denied by them; and we did not always have the time, place and opportunity to let the other factors, which were concerned in the mutual action and reaction, get their deserts." [7]

In another letter he elaborates this same point of view:

"According to the materialistic conception of history the factor which is *in the last instance* decisive in history is the production and reproduction of actual life. More than that neither Marx nor I have ever asserted. But when any one distorts this so as to read that the economic factor is the sole element, he converts the statement into a meaningless, abstract, absurd phrase. The economic condition is the basis, but the various elements of the superstructure—the political forms of the class contests, and their results, the constitution—the legal forms, and also all the reflexes of these actual contests in the brains of the participants, the political, legal, philosophical theories, the religious views . . . all these exert an influence on the historical struggles, and in many instances determine their form." [8] (Italics ours.)

Nor must this theory be confused with the materialist

[7] Seligman, *op. cit.*, p. 142; letter printed in *Der Sozialistische Akademiker,* October 1, 1895.

[8] *Ibid.*, pp. 142-3. *Der Sozialistische Akademiker* (Oct. 15, 1895), p. 351.

philosophy of life. The economic interpretation of history does not deal with ultimate causes in the universe.

Spread of Theory.—Marx saw in the economic interpretation of history theory not only the explanation of past progress, but grounds for hope of future development from the present economic system to a socialist order, as is indicated in his analysis of social development in the *Communist Manifesto* and his later works. Most modern historians are now following Marx in emphasizing the importance of the economic factors in past and present history, although many of them are somewhat agnostic concerning a like influence of economic factors in the life of the future, and the application of this theory to future social changes. The revolutionizing effect of Marx's pioneer work on the interpretation of historical events, past and present, however, can hardly be overestimated.

Class Struggle

Importance of Class Struggles.—We have already had occasion, in our discussion of the *Communist Manifesto* and in the later account of Marx's career, to bring into the foreground the Marxian conception of the historical rôle of the class struggle. Marx believed that the part played by this struggle between owner and worker had been a fundamentally important one in the society of the past "since the dissolution of primitive tribal society holding land in common ownership." He contended likewise that class struggles would take place in society until such time as the workers should become the controllers of society. All would then be transformed into producers, and once for all society would be emancipated "from all exploitation, oppression, class-distinction and class struggles." This "fundamental proposition, which forms the nucleus" of the Marxian theory needs, perhaps, no further elaboration at this point.

Marxian Theory of Value

The Economics of Marxism.—The economic interpretation of history and the theory of the class struggle form

what are regarded as the sociological bases of the Marxian system. The theory of value, on the other hand, constitutes the economic base. Although all three are interwoven, many socialists who have accepted the sociological teachings of Marx are prone to maintain that his labor theory of value and his theory of surplus value are inadequate and not necessary parts of the modern socialist philosophy.

Labor Theory of Value.—During a century and a half preceding the writings of Marx, English and French economists had gradually evolved a theory that the value of a commodity, that is to say, the quantity of any other commodity for which it will exchange, depends on the *relative quantity of labor necessary for its production.*[9] The development of this theory, as Marx brings out, begins with such economists as William Petty in England and Boisquillebert in France, and ends with Ricardo of England and Sismondi of France.[10]

In brief outline, the value theory which Marx took from the classical economists and which he elaborated somewhat further is as follows:

"The common *social substance* of all commodities is *labor* . . . A commodity has a *value*, because it is a *crystallization of social labor.* The *greatness* of its value or its relative value, depends upon the greater or less amount of that social substance contained in it; that is to say, on the relative mass of labor necessary for its production. The *relative values of commodities* are, therefore, determined by the *respective quantities or amounts of labor, worked up, realized, fixed in them.*"[11]

Labor Entering into a Commodity.—In estimating the amount of labor embodied in a commodity, Marx argues that it is not only necessary to consider the quantity of labor *last* employed, say, in producing the finished article, but that one must take into consideration that labor previously put into the raw material and employed on the tools, ma-

[9] Ricardo, *Principles of Political Economy* (N. Y.: Macmillan, 1909), p. 1; see *supra*, pp. 100-1; also p. 48.
[10] Marx, *Critique of Political Economy*, p. 56.
[11] Marx, *Value, Price and Profit* (Chicago: Kerr), p. 57.

chinery and buildings. "For example, the value of a certain amount of cotton yarn is the crystallization of the quantity of labor added to the cotton during the spinning process, the quantity of labor previously realized in the cotton itself, the quantity of labor realized in the coal, oil, and other auxiliary substances used, the quantity of labor fixed in the steam engine, the spindles, the factory building, and so forth." [12]

Socially Necessary Labor.—Nor must it be inferred, Marx continues, that, under his theory, the lazier or clumsier the man, the more valuable his commodity, since the time required by a lazy man to produce a commodity is greater than that required by the more skilled. "In saying that the value of a commodity is determined by the *quantity of labor* worked up or crystallized in it, we mean the *quantity of labor necessary* for its production in a given state of society, under certain social average conditions of production, with a given social average intensity, and average skill of the labor employed.

"When in England the power loom came to compete with the hand loom, only one half the former time of labor was wanted to convert a given amount of yarn into a yard of cotton or cloth. The poor hand-loom weaver now worked seventeen or eighteen hours daily instead of the nine or ten hours he worked before. Still the product of twenty hours of his labor represented now only ten social hours of labor, or ten hours of labor socially necessary for the conversion of a certain amount of yarn into textile stuffs. His product of twenty hours had, therefore, no more value than his former product of ten hours. If then the quantity of socially necessary labor realized in commodities regulates their exchangeable values, every increase in the quantity of labor wanted for the production of a commodity must augment its value, as every diminution must lower it." [13]

Price.—Price, of course, must not be confused with value. It is but the monetary expression of value. To the extent that it is merely the monetary expression of value, price has been called *natural price*. But besides the *natural*

[12] *Ibid.*, p. 60.

[13] *Ibid.*, pp. 62-3.

price, there is the *market price,* which now rises, now sinks under the value of the natural price, depending upon the fluctuations of supply and demand. "The natural price," as Adam Smith put it, "is the central price to which the prices of commodities are continually gravitating. Different accidents may sometimes keep them suspended a good deal above it, and sometimes force them down even somewhat below it. But whatever may be the obstacles which hinder them from settling in this center of repose and continuance they are constantly tending toward it."

It follows that if supply and demand equal each other, the market price will correspond with the natural price. For longer periods supply and demand do tend to compensate each other, "so that *apart from the effect of monopolies and some other modifications.* . . . all descriptions of commodities are, on the average, sold at their respective *values* or natural prices." [14]

Labor Power.—Like every other commodity, *labor power,* which is bought and sold, has a value, and that value is determined by the *quantity of labor necessary to produce it.* The laborer needs a certain number of necessities to grow up and maintain his life. But, like the machine, he sooner or later wears out, and must be replaced by another man. Thus, besides the necessities desired for his own maintenance, "he wants another amount of necessaries to bring up a certain quota of children that are to replace him on the labor market and to perpetuate the race of the laborers.

Furthermore, to develop his laboring power and acquire a given skill, another amount of values must be spent. Thus "*the value of laboring power* is determined by the *value of the necessaries* required to produce, develop, maintain, and perpetuate the laboring power." [15]

Surplus Value.—Suppose that the average amount of daily necessaries of a laboring man requires six hours of average labor to produce. Suppose that this six hours of average labor is realized in a quantity of gold equal to $3. Then $3 would be the price, or the expression of the daily value of that man's laboring power.

[14] *Ibid.,* pp. 67-8. [15] *Ibid.,* p. 76.

The man in question is a wage laborer. He must sell his labor to a capitalist. If he sells it at $3 daily, he sells it at its value. If he works at the job six hours daily, he will add to the cotton a value of $3 daily. But this $3 would be the exact equivalent of his wages, and in this case no *surplus value* or *surplus produce* would go to the capitalist.

But in buying the use of the laboring power, the capitalist has acquired the right to use or consume it the same as any other commodity purchased. He can make that laboring power work, within certain limits, during the whole day or week. "The *value* of the laboring power is determined by the quantity of labor necessary for its maintenance and reproduction, but the *use* of that laboring power is only limited by the active energies and physical strength of the laborer. The daily or weekly value of the laboring power is quite distinct from the daily or weekly exercise of that power."[16]

Over and above the six hours required to replace his wages, the laborer is likely to have to work several more hours, say six hours, which may be called hours of surplus labor, which surplus labor will realize itself in a *surplus value* or *surplus produce*. If, for instance, the spinner works twelve hours, he will be advanced $3 for wages, while the capitalist will pocket the other $3 in the form of surplus value for which the capitalist pays no equivalent. "*The rate of surplus value,* all other circumstances remaining the same, will depend on the proportion between that part of the working day necessary to reproduce the value of the laboring power and the *surplus time* or *surplus labor* performed for the capitalist."[17]

Profit.—A profit is made by selling a commodity not over and above its value, but at its value. Suppose that twenty-four hours of average labor, valued at $12, were embodied in the production of a piece of cloth, (including raw materials, machinery, etc.). Suppose that Mr. Jones, clothing manufacturer, paid this $12 for the cloth; suppose the worker in Mr. Jones' clothing establishment added to the cloth twelve hours of value, realized in an additional value of $6. Then *the total value of the product* would amount to

[16] *Ibid.*, p. 79.

[17] *Ibid.*, p. 81.

thirty-six hours of realized labor and be equal to $18. But as the value of labor, or the wages paid to the workman would be but $3, no equivalent would be paid to the laborer by the capitalist for the six hours of surplus labor worked by him and realized in the value of the commodity. By selling the commodity, therefore, for its value of $18, the capitalist would gain a surplus value or profit of $3.

Division into Rent, Profit, and Interest.—Of course, the whole of the profit is not pure gain for the capitalist. Part of the surplus is taken by the landlord under the name of rent; part goes to the money lending capitalist as interest, so that there remains to the capitalist as such only *industrial or commercial profit*. "Rent, interest and industrial profit are only different names for different parts of the surplus value of the commodity, or the unpaid labor enclosed in it, and they are equally derived from this source and from this source alone. They are not derived from *land* as such or from *capital* as such, but land and capital enable their owners to get their respective shares out of the surplus value extracted by the employing capitalist from the laborer. For the laborer himself it is a matter of subordinate importance whether that surplus value, the result of his surplus labor, or unpaid labor, is altogether pocketed by the employing capitalist, or whether the latter is obliged to pay portions of it, under the name of rent and interest, away to third parties. Suppose the employing capitalist is to use only his own capital and be his own landlord, then the whole surplus value would go into his own pocket."[18]

Value of Labor Power—Physical and Social.—Returning to the value of labor power, Marx maintained that there were some peculiar features which distinguished the value of laboring power or the value of labor from the values of all other commodities. "The value of laboring power is formed of two elements—the one merely physical, the other historical or social. The ultimate limit is determined by the *physical element*, that is to say, to maintain and reproduce itself, to perpetuate its physical existence, the working class

[18] *Ibid.*, pp. 90-91.

must receive the necessaries absolutely indispensable for living and multiplying. . . .

"Besides this mere physical element," Marx continues, "the value of labor is in every country determined by the *traditional standard of life.* It is not mere physical life, but it is the satisfaction of certain wants springing from the social conditions in which the people are placed and reared up. This historical or social element, entering into the value of labor, may be expanded or contracted, or altogether extinguished, so that nothing remains but the *physical limit.* . . . By comparing the standard of wages or values of labor in different countries, and by comparing them in different historical epochs of the same country, you will find that the *value of labor* itself is not a fixed but a variable magnitude, even supposing the values of all other magnitudes remain constant." [19]

The Rate of Profit.—On the other hand, there exists no law determining the minimum of profit. The maximum of profits is limited by the minimum of wages and the physical maximum of the working day. An immense scale of variation is thus possible in the *rate of profits.* The actual rate of profits is only settled "by the continuous struggle between capital and labor, the capitalist constantly tending to reduce wages to their physical minimum, and to extend the working day to its physical maximum, while the working man constantly presses in the opposite direction. The matter resolves itself into a question of the respective powers of the combatants." [20]

Wages and the Law of Supply and Demand.—The law of supply and demand must also be taken into account in determining the kind of wage settlements actually made. The greater the demand for labor on the part of the capitalist in proportion to the supply of available labor, the more favorable will be the wage settlements. However, as capitalist industry progresses, the demand for labor fails to keep pace with the accumulation of capital. This development tends to turn the scale against the worker and in favor of the capitalist. The general tendency of capitalist

[19] *Ibid.*, pp. 116-119. [20] *Ibid.*, p. 120.

production is, therefore, to push the value of labor more or less toward the *minimum limit*. Some might argue that, in view of this tendency, the workers should remain passive and fail to resist the encroachments of capital. However, this does not follow. If they did this, they "would be degraded to one level mass of broken wretches past salvation . . . and disqualify themselves for the initiating of any larger movement." [21]

On the other hand, they should not forget that in resisting such encroachments, they are fighting effects rather than causes, "that they are retarding the downward movement, but not changing its direction; that they are applying palliatives, not curing the malady. They ought, therefore, not to be exclusively absorbed in these unavoidable guerrilla fights. . . . Instead of the conservative motto 'A fair day's wages for a fair day's work,' they ought to inscribe on their banner the revolutionary watchword, '*Abolition of the wages system!*' "

Marx thus connects up his value theories with his demand that the system which creates a surplus value should be eliminated.

Summary.—The theories of Marx heretofore presented have furnished much of the theoretical basis for the modern socialist movement. By many millions they have been accepted as truths which should not be disputed. By many others, they have been subjected to severe critical analysis, and to a considerable modification in the light of more recent economic developments.

But, as Professor E. R. A. Seligman remarks:

"Whether or not we agree with Marx's analysis of industrial society, it is safe to say that no one can study Marx as he deserves to be studied—and, let us add, as he has heretofore *not* been studied in England and America—without recognizing the fact that, perhaps with the exception of Ricardo, there has been no more original, no more powerful, and no more acute intellect in the entire history of economic science." [22]

[21] *Ibid.*, pp. 125-6.
[22] Seligman, *Economic Interpretation of History*, p. 56.

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Part III

OTHER SOCIALIST SCHOOLS

1880-1914

CHAPTER XVII

FORERUNNERS OF THE FABIANS

England from 1848 to 1880

Persistence of Marxian Socialism.—Since the middle of the nineteenth century, Marxian socialism, somewhat modified, has remained the most vital and dominant school of socialist thought, despite the many attacks made upon it by friend and foe alike. A number of other schools, however, have played their part in the molding of socialist thought and action. Some of these have aimed to supplement the Marxian school; some have endeavored to revise it; others have sought to carry out to what was felt to be their logical conclusion one or more portions of Marx's teachings.

The Fabians Appear.—A few months after the death of Marx, in March, 1883, a small group of young people met in a bare room somewhere in Chelsea, London, to listen to an American, Thomas Davidson, expound his ideas of a Fellowship of a New Life. Out of that meeting developed the English Fabian Society, actually born in January 4, 1884, a society which has exerted a profound influence over the economic and social thinking of that country.

Revolutions Predicted.—The Fabians began their existence thirty-six years after the issuance of the *Communist Manifesto*. A great change in Britain and in Continental Europe had taken place during those years. In the forties, Engels anticipated the complete collapse of the capitalist system within the next decade or so as a result of economic crises and the spirit of revolt in the working class as manifested in the Chartist movement:

"I think the people will not endure more than another crisis," he said. "The next one in 1846 or 1847 will probably bring with it the repeal of the Corn Laws and the enactment of the Charter. What revolutionary movements

the Charter may give rise to remains to be seen. But, by the time of the next following crisis, which, according to the analogy of its predecessors, must break out in 1852 or 1853, the English people will have had enough of being plundered by the capitalists and left to starve when the capitalists no longer require their services. If, up to that time, the English bourgeoisie does not pause to reflect—and to all appearances it certainly will not do so—a revolution will follow with which none hitherto known can be compared."[1]

Industry Expands.—The revolt, however, did not occur. British industry, far from collapsing, expanded by leaps and bounds. Particularly in the first part of the period, from 1850 to 1866, when Britain held what was virtually a monopoly of the world market, was this development in evidence.

Engels Describes Development.—"The revival of trade after the crisis of 1847," wrote Engels years later in explaining the reason for his failure of his prophecy to materialize, "was the dawn of a new industrial era. The repeal of the Corn Laws and the financial reforms subsequent thereto gave to English industry and commerce all the elbow room they had asked for. The discovery of the Californian and Australian gold fields followed in rapid succession. The colonial markets developed at an increasing rate their capacity for absorbing English manufactured goods. In India millions of hand weavers were finally crushed out by the Lancashire power-loom. China was more and more being opened up. Above all, the United States—then, commercially speaking, a mere colonial market, but by far the biggest of them all—underwent an economic development astounding even for that rapidly progressive country.

"And, finally, the new means of communication introduced at the close of the preceding period—railways and ocean steamers—were now worked out on an international scale; they realized actually what had hitherto existed only

[1] Engels, *Condition of the Working Class in England in 1844* (London, Sonnenschein), 1892 edition, p. 296.

potentially, a world market. This world market, at first, was composed of a number of chiefly or entirely agricultural countries grouped around one manufacturing center—England—which consumed the greater part of their surplus raw produce and supplied them in return with the greater part of their requirements in manufactured articles. No wonder England's industrial progress was colossal and unparalleled and such that the status of 1844 now appears to us as comparatively primitive and insignificant."[2]

British Monopoly Breaks Down.—Following the Civil War and the Franco-Prussian War, England began to feel the competition from the United States and Germany, while its monopoly grip over the world market was distinctly loosened. "Even while that monopoly lasted," observed Engels in 1885, "the markets could not keep pace with the increasing productivity of English manufacturers; the decennial crises were the consequence. [Thus the crisis of 1866 and the extended period of depression from 1876]. And new markets are getting scarcer every day, so much so that even the Negroes of the Congo are now to be forced into the civilization attendant upon Manchester calicoes, Staffordshire pottery, and Birmingham hardware."[3]

He added, with keen historic insight: "How will it be when Continental, and especially American, goods flow in in ever-increasing quantities—when the predominating share, still held by British manufacturers, will become reduced from year to year? Answer, Free Trade, thou universal panacea.

"I am not the first to point this out. Already in 1883, at the Southport meeting of the British Association, Mr. Inglis Palgrave, the President of the Economic section, stated plainly that 'the days of great trade profits in England were over, and there was a pause in the progress of several great branches of industrial labor.' *The country might almost be said to be entering the non-progressive state.*"[4]

[2] *Ibid.*, Preface, p. vi.
[3] *London Commonwealth*, Mar. 1, 1885; quoted in Engels, *op. cit.*, p. xvi.
[4] Engels, *op. cit.*, p. xvii.

Improvement Among Sections of Workers.—The revival of trade during the early part of the period, the great increase in exports and imports, and the astounding increase in productivity through mechanical inventions, while benefiting chiefly the capitalist class, did reflect itself in improved conditions among certain sections of the workers. Engels maintained in 1885 that the mass of the workers had been *temporarily* improved, although this improvement "was reduced to the old level by the influx of the great body of the unemployed reserve, by the constant superseding of hands by new machinery, by the immigration of the agricultural population, now, too, more and more superseded by machinery." [5]

On the other hand, there had been a more *permanent* improvement among "two 'protected' sections" of the working class. "Firstly, the factory hands. The fixing by Parliament of their working day within relatively rational limits has restored their physical constitution and endowed them with a moral superiority, enhanced by their local concentration. They are undoubtedly better off than before 1848. . . . Secondly, the great trade unions. They are the organization of those trades in which the labor of *grown up men* predominates, or is alone applicable. Here the competition neither of women or children nor of machinery has so far weakened their organized strength. The engineers, the carpenters, and joiners, the bricklayers, are each of them a power, to that extent that, as in the case of the bricklayers and bricklayers' laborers, they can even successfully resist the introduction of machinery. That their condition has remarkably improved since 1848 there can be no doubt, and the best proof of this is in the fact, that for more than fifteen years not only have their employers been with them, but they with their employers, upon exceedingly good terms. They form an aristocracy among the working class; they have succeeded in enforcing for themselves a relatively comfortable position, and they accept it as final. They are the model working men of Messrs. Leone Levi and Giffin, and they are very nice people indeed nowadays to deal with,

[5] *Ibid.*, p. xiv.

for any sensible capitalist in particular and for the whole capitalist class in general."[6]

"The truth is this," Engels continued, "during the period of England's industrial monopoly the English working class have, to a certain extent, shared in the benefits of the monopoly. These benefits were very unequally parcelled out among them; the privileged minority pocketed most, but even the great mass had, at least, a temporary share now and then. *And that is the reason why, since the dying out of Owenism, there has been no socialism in England.* With the breakdown of that monopoly, the English working class will lose that privileged position; it will find itself generally—the privileged and leading minority not excepted—on a level with its fellow workers abroad. And that is the reason why there will be socialism again in England."[7] (Italics ours.)

Revolutionary Spirit Ebbs.—As Engels' statement implied, the revolutionary idealism found among the workers during the Chartist movement had largely disappeared by the beginning of the eighties, due largely to the change in the industrial situation. Thomas Cooper, the old Chartist, after a visit to the North of England during 1869 and 1870, noted the difference in attitude toward radical change:

"In our old Chartist time, it is true," he said, "Lancashire working men were in rags by thousands; and many of them lacked food. But their intelligence was demonstrated wherever they went. You could see them in groups discussing the great doctrines of political justice . . . or they were in earnest dispute respecting the teachings of socialism. *Now,* you will see no such groups in Lancashire. But you will hear well dressed working men talking of cooperative stores, and their shares in them, or in building societies. . . . Working men had ceased to think, and wanted to hear no thoughtful talk; at least, it was so with most of them. To one who has striven, the greater part of his life, to instruct and elevate, and who has suffered and borne imprisonment for them, all this was more painful than I care to tell."[8]

[6] *Ibid.*, p. xv.
[7] *Ibid.*, pp. xvii-xviii.
[8] Thomas Cooper, *Life*, 1897, pp. 393-4.

Development of Trade Unions.—As was heretofore indicated, the third quarter of the nineteenth century saw a distinct development of the trade union movement. In 1851 the Amalgamated Society of Engineers was established. This was followed by the organization of the Carpenters and Joiners in 1860, of the Miners National Union in 1863, the Tailors in 1866 and the Amalgamated Society of Railway Servants in 1872. In 1868 the workers held their first Trade Union Congress at Manchester.

In 1848, all strikes were regarded as illegal and, as a consequence, in the first part of the period, the activities of the trade unions were of an exceedingly mild character. Trade union restrictions were, however, gradually removed through a series of acts culminating in the Conspiracy Acts of 1875, by which not only strikes but also picketing and other activities not involving violence were taken out of the scope of the criminal law.

Period of Protective Legislation.—Since the late forties, the Ten Hours Law had been enacted, the truck system had been suppressed, and a number of secondary reforms had been introduced "much against the spirit of Free Trade and unbridled competition, but quite as much in favor of the giant-capitalist in his competition with his less favored brother."[9]

Attitude of Employing Class.—Engels insists that both the development of trade unions and the enactment of factory laws were in line at that time with the interests of the larger capitalists, although such labor organizations and legislation were fought vigorously by many groups in the employing class. "The fact is," he maintained, "that all these concessions to justice and philanthropy were nothing else but means to accelerate the concentration of capital in the hands of the few, for whom the niggardly extra extortions of former years had lost all importance and had become actual nuisances; and to crush, all the quicker and all the safer, their smaller competitors, who could not make both ends meet without such perquisites. Thus the development of production on the basis of the capitalistic system

[9] Engels, *op. cit.*, p. vii.

has of itself sufficed—at least in the leading industries, for in the more unimportant branches this is far from being the case—to do away with all those minor grievances which aggravated the workman's fate during the earlier stages. And thus it renders more and more evident the great central fact, that the cause of the miserable condition of the working class is to be sought, not in these minor grievances, but *in the Capitalist system itself.*[10]

"Again, the repeated visitations of cholera, typhus, small pox, and other epidemics have shown the British bourgeois the urgent necessity of sanitation in his towns and cities, if he wishes to save himself and his family from falling victims of such diseases." [11]

It might be added, that, throughout the period, the landed proprietors were often found on the side of legislation protecting the worker against unrestricted exploitation by the manufacturer, while the manufacturer frequently expressed his deep and abiding sympathy for agricultural workers and others victimized by the landed proprietors.

Growth of Cooperation.—The workers had not only organized in these years as producers in the trade unions, but as consumers in the cooperative movement. The Rochdale cooperative, started in 1844 by twenty-eight flannel weavers in Rochdale, outside of Manchester, was given a great impetus during the revolutionary days of 1848–9 and was greatly encouraged by the passing, in 1852, of the "Magna Carta of Cooperators," the Industrial and Provident Societies Act. By 1862, the number of societies had grown to 450 and the members to 90,000. In 1864 the English Cooperative Wholesole was organized. During the succeeding twenty years, the movement went steadily forward.

Extension of Franchise.—Side by side with the organization of labor on the economic field, went the increased enfranchisement of labor on the political field. Although the Chartist agitation had failed, the demand for the suffrage did not cease. Measures for an extension of the franchise were proposed from time to time in the House of Commons, but each time were easily defeated. The agitation,

[10] *Ibid.*, p. vii.

[11] *Ibid.*, p. viii.

however, gradually gained in influence. The American Civil War, the Polish insurrection, and the work of the International Working Men's Association, all had their effect in stirring the workers to demand greater democracy at home.

In 1864 a Suffrage Association, afterwards the Reform League, was formed in London to fight for a more liberal suffrage. In a debate on parliamentary reform in 1864, the agitation soon assumed practical political importance. Gladstone maintained that the burden of proof remained on those "who would exclude forty-nine fiftieths of the working classes from the franchise." [12] In 1866, when elevated to the leadership of the lower house, he proposed a moderate extension of the franchise, based, however, on property qualifications. The measure was displeasing to some of Gladstone's followers because it went too far, and to others, because it did not go far enough. The ministry resigned and was succeeded by a Conservative cabinet represented in the House of Commons by Benjamin Disraeli (afterwards Lord Beaconsfield).

Disraeli, against the opposition of some of his fellow-Conservatives, forced through the Reform Law of 1867. This law granted the franchise to every adult male in the larger towns who occupied for twelve months a dwelling within the borough and paid the local poor tax; also to lodgers who paid ten pounds a year for unfurnished rooms. In the country it permitted those owning a certain minimum of property or paying not less than twelve pounds rent a year to vote. The law doubled the number of voters. Suffrage was further extended in 1884, the date of the birth of the Fabian Society, so as to include the agricultural laborers. With the growth of the franchise, the workers began to give increased attention to political activity, and, in 1874, returned two workingmen—Alexander Macdonald and Thomas Burt—to the House of Commons.

Mill and the Economists.—The increasing influence of the working class led the economists of the day to consider

[12] See Robinson and Beard, *Outline of European History*, Pt. II, p. 388.

with renewed interest the relation of labor to property. Among the most prominent of the progressive economists were Cliffe Leslie, David Syme and John Stuart Mill. Mill was the economist of the transition period. He first showed a quite heretical attitude toward the "sacredness" of private property in land. The right to private property in land, he maintained, was not "sacred," "for no man made the land, it is the original inheritance of the whole species."[13] Rent was the effect of a natural monopoly. It was a fit subject for taxation.

"Suppose," he said, "there is a kind of income which constantly tends to increase, without any exertion or sacrifice on the part of the owners; those owners constituting a class in the community, whom the natural course of things progressively enriches, consistently with complete passiveness on their part. In such a case it would be no violation of the principles on which private property is grounded, if the state should appropriate the increase of wealth or part of it, as it arises. This would not properly be taking anything from anybody; it would merely be applying an accession of wealth, created by circumstances, to the benefit of society, instead of allowing it to become an appendage to the riches of a particular class. This is actually the case with rent. The ordinary progress of a society which increases in wealth, is at all times tending to augment the incomes of landlords. . . . They grow richer, as it were, in their sleep, without working, risking or economizing. What claim have they, on the general principle of social justice, to the accession of riches?"

These teachings and those of others gave birth to the organization of the Land Tenure Reform Association, which claimed "the unearned increase of the land and the produce thereof for those who are the real authors," society, and which urged the nation to take control of the land. This society, founded by Mill in 1870, contained such prominent theorists as Professor Thorold Rogers, John Morley, Sir Henry Fawcett, Professor Cairns and Alfred Russel

[13] J. S. Mill, *Principles of Political Economy*, Book II, Ch. 2, Par. 6. Mill was born in 1806 and died in 1873.

Wallace. So great was the interest of labor in the land question that Mill maintained that "an active and influential portion of the working classes have adopted the opinion that private property in land is a mistake." [14]

Mill Inclines toward Socialism.—In the latter part of his life, Mill leaned more and more toward the socialist point of view. In the 1852 edition of his *Principles of Political Economy,* he said:

"If, therefore, the choice were to be made between communism with all its chances and the present state of society with all its suffering and injustices; if the institution of private property necessarily carried with it as a consequence that the produce of labor should be apportioned as we now see it, almost in an inverse ratio to the labor—the largest portions to those who have never worked at all; the next largest to those whose work is almost nominal, and so in a descending scale, the remuneration dwindling as the work grows harder and more disagreeable, until the most fatiguing and exhausting bodily labor cannot count with certainty on being able to earn even the necessaries of life; if this or communism were the alternative, all the difficulties, great or small, of communism would be but as dust in the balance." [15]

Later he wrote of the beliefs of his wife and himself:

"While we repudiated with the greatest energy that tyranny of society over the individual which most socialistic systems are supposed to involve, we yet looked forward to a time when society will no longer be divided into the idle and the industrious; when the rule that they who do not work shall not eat will be applied not to paupers only, but impartially to all; when the division of the product of labor, instead of depending, as in so great a degree it now does, on the accident of birth, will be made by concert on an acknowledged principle of justice; and when it will no longer either be, or be thought to be, impossible for human beings to exert themselves strenuously in procuring bene-

[14] Mill, *Programme of the Land Tenure Reform Association,* London: 1871, pp. 6-7.

[15] *Principles,* Book II, Ch. 3.

fits which are not to be exclusively their own, but to be shared with the society they belong to. The social problem of the future we considered to be how to unite the greatest individual liberty of action with a common ownership of the raw material of the globe, and an equal participation of all in the benefits of combined labor."[16]

In the last year of his life, Mill planned a book on socialism, but only completed the first four chapters. These were published in the *Fortnightly Review* in 1879. Here he maintained that the arrival of manhood suffrage would sooner or later lead to a thorough discussion of the foundations of the system of private property, and that, in fact, this discussion was already taking place. The socialists, in attacking competition, have pointed to a great evil, and "one which grows and tends to grow with the growth of population and wealth." Though feeling that they exaggerated these evils in certain instances, he nevertheless admitted that "the intellectual and moral grounds of socialism deserve the most attentive study, as affording in many cases the guiding principles of improvements necessary to give the present economic system of society its best chance."

Realizing that there must be a change in the attitude of the state to property, if a new social order were to be brought about, Mill concluded:

"A proposed reform in laws and customs is not necessarily objectionable because its adoption would imply not the adaptation of all human affairs to the existing idea of property, but the adaptation of existing ideas of property to the growth and improvement of human affairs. . . . Society is fully entitled to abrogate or alter particular rights of property which, on sufficient consideration, it judges to stand in the way of the public good. And assuredly the terrible case which . . . the socialists are able to make out against the economic order of society, demands a full consideration of all means by which the institution may have a chance of being made to work in a manner

[16] *Autobiography*, p. 133.

more beneficial to that portion of society which at present enjoys the least share of its direct benefits.'' [17]

Cairns on the Idle Rich.—During the same period other economists were pointing to the injustices in the social system and suggesting some form of cooperation as a remedy. Thus Professor Cairns bitterly assailed the idle rich then existing in society:

''It is important on moral no less than on economic grounds to insist upon this, that no public benefit of any kind arises from the existence of an idle rich class. The wealth accumulated by their ancestors and others on their behalf, where it is employed as capital, no doubt helps to sustain industry; but what they consume in luxury and idleness is not capital, and helps to sustain nothing but their own unprofitable lives. By all means they must have their rents and interest, as it is written in the bond; but let them take their proper place as drones in the hive, gorging at a feast to which they have contributed nothing.'' [18]

Or again:

''If workmen do not rise from dependence on capital by the path of cooperation, then they must remain in dependence upon capital; the margin for the possible improvement of their lot is confined within narrow barriers, which cannot be passed, and the problem of their elevation is hopeless. As a body they will not rise at all. A few, more restless, or more energetic than the rest, will from time to time escape, as they do now, from the ranks of their fellows to the higher walks of industrial life, but the great majority will remain substantially where they are. The remuneration of labor as such, skilled or unskilled, can never rise much above the present level.'' [19]

The writings of Mill, of Cairns, of other economists, had a considerable effect on the social thought of this period. Likewise did the indictment of the capitalist order from the pens of Ruskin, Carlyle, Kingsley, Maurice and others.

[17] See also West, Julius, *John Stuart Mill,* Fabian Tract 168, pp. 20-21.

[18] Cairns, *Some Leading Principles of Political Economy,* p. 32.

[19] *Ibid.,* p. 348.

Summary.—The early eighties, therefore, found conditions of industry and the physical and psychical conditions of the working class far different from those in the late forties, when the great *Manifesto* of Marxian socialism was formulated. Contrary to the expectations of the brilliant young authors of the *Manifesto,* capitalist industry had survived and expanded in England. The workers had passed through a number of crises, but had not revolted. Conditions had improved for numbers of them as a result both of the economic organization of the workers and the enlightened selfishness of the employing class. The workers had achieved many of the political forms their predecessors, the Chartists, had demanded. Great numbers of them had received the franchise. They were able to effect changes through the ballot. They had created for themselves such economic agencies for peaceful progress as trade unions and cooperative societies. They had seen some of their worst evils ameliorated through social legislation. Their demand for immediate and violent change had largely given way to a struggle for improvement through the ballot, through legislation, through the strengthening of labor unions and of cooperatives. Nor did they see so clearly as some of their predecessors seemed to see the imminent breakdown of the capitalist system.

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CHAPTER XVIII

FABIAN SOCIALISM

A Gradual and Peaceful Transition.—It was in an England undergoing these developments that Fabian socialism was born, as a flexible school of socialist thought. It therefore differed in a number of respects from Marxian socialism, formulated during the revolutionary period of the late forties. Adapting itself to these changed conditions, Fabian socialism regarded the transition from capitalism to socialism as a gradual process; looked forward to the socialization of industry by the peaceful economic and political agencies already at hand; saw in the middle class a group that could be utilized in developing the technique of administration in behalf of the new social order, and felt that an important step in the attainment of socialism was the arousing of the social conscience of the community in favor of the socialist ideal.

Difference Between Marxists and Fabians.—M. Beer, the British socialist historian, thus clearly describes the differences between the tactics prescribed by the early Marxian and the early Fabian schools—a difference which, has, however, not wholly persisted:

"Between the years 1865 and 1885," he declared, "Great Britain had entered on a period of change. . . . The rise of the working classes could no longer be denied; their influence on legislation and the wage-contract was visibly on the increase. They had obtained the franchise and the legalization of trade unionism. The British Constitution was turned into a democracy. . . . A democratic state which was prepared to take upon itself social reform duties, a working class with economic influence and power, a nation with a growing social conscience, could not be treated from the standpoint of revolution and class struggle. The

fundamental socialist concepts required a new basis and new methods more in harmony with new conditions. . . .

"Rightly understood, the pre-democratic socialists of the Chartist or Marxist type could not but think of a revolution, since they had first to sweep away the old state in order to create a political mechanism for a collectivist reorganization of society. In a democratic society, and in a state which acknowledges the duty of carrying legislation, there was no need of a revolution in order to create a new political mechanism, for it was in existence and needed but to be used. The real question therefore was, How was this state to be used in order to get systematic social reform?

"The Owenites went outside the state for the purpose of building up a cooperative commonwealth, and they elaborated its general outline, and even its detail, by pen and pencil. The Marxists scorned all sketches and all questionings for the details of the future state, but urged upon the working class to fight against the existing order, to obtain political power, to seize the state for the purpose of the abolition of the capitalist system which obstructed the birth of the new order . . . ; this constituted the real mission of the socialists. Webb [representing the Fabians] investigates the particular evils of society, points out the remedy for each of them in accordance with the general principles of socialism, and endeavors to persuade the nation that these remedies are practicable and suitable for legislation. The mission of the socialist was, therefore, to acquire knowledge by means of specialized research into the various manifestations of economic and social life, to acquaint themselves with the machinery of legislation and administration, and to put their knowledge and experience at the disposal of all political agencies.

"There was no reason for socialists to wait for the social revolution. The realization of socialism had begun from the moment when the state became accessible to social reform ideas, and the employers of labor admitted collective bargaining and submitted to state and trade union intervention. . . .

"The key to Owenism is the doctrine of circumstances in relation to the formation of human character. The philosophy which served Marx in his analysis of capitalist society and in the mobilization of the working class for socialism consists of the labor theory with class struggle as the dynamic force. The socialism of Webb is based on the extension of the theory of rent and on the growth of the social conscience of the nation."[1]

Marxism in England in the Early Eighties.—While Fabian socialism was England's distinct contribution to socialist thought during the eighties, Marxian socialism in those days rallied around it the first organized group of British socialists. Marx's doctrines, up to 1880, had been accessible only to those Englishmen who read German and French. In that year two articles appeared in English monthly magazines, one for and one against the Marxian theories. In June, 1881, Henry Hyndman,[2] a patrician by temperament, who had become imbued with the socialist philosophy, published *England for All.* This book embodied Marx's main doctrines on the relationships of capital and labor. Knowing, however, the prejudice of Englishmen against foreigners, Hyndman did not mention Marx in the volume. He merely stated in his Preface, "for the ideas and much of the matter contained in chapters two and three, I am indebted to the work of a great thinker and original writer," whose works he hoped would soon be accessible to the majority of Englishmen! This failure on his part to give public credit to Marx caused an estrangement between Marx and Hyndman that was never healed. In his later works, he did much to bring the teachings of Marx, Engels, Lassalle and other socialist writings to the attention of the English speaking world, but the original slight was never altogether forgiven by Marx's friends.

The Social Democratic Federation.—In June, 1881,

[1] M. Beer, *History of British Socialism,* Vol. II, pp. 279-81. The Fabians took as the cornerstone of their economic doctrine, as will be explained later, the Ricardian theory of rent, and declared that the private appropriation of rent was unjustifiable.

[2] See Hyndman, Henry M., *Record of an Adventurous Life* (N. Y.: Macmillan, 1911).

Hyndman and others organized the Democratic Federation, afterwards the Social Democratic Federation, with the aim of creating a working class movement to carry on the "great work of Spence and Owen, Stephens and Oastler, O'Connor and O'Brien, Ernest Jones and George J. Harney."[3]

Hyndman had discussed with Marx the advisability of resuscitating the Chartist movement. Marx was interested in the idea, but doubted its feasibility. Hyndman, however, went ahead and worked for the organization of the Federation. The program he formulated was largely one for greater political rights. Its most radical industrial plank advocated the nationalization of land.

At first the Federation spent much of its energy on mere protests against the coercive policy toward Ireland of the Gladstone cabinet, then in power. In behalf of that country, it held a number of remarkable demonstrations. Under the stimulating influence of Henry George, whose *Progress and Poverty,* written in 1879, was then being read throughout England, its members also did much propaganda work in behalf of the socialization of the land.

In the autumn of 1883, it came out with a full fledged socialist platform. Hyndman's pamphlet, *Socialism Made Plain* (1883), which demanded the socialization of the means of life, made a deep impression. The Federation's official statement in advocating extensive social changes, adopted in October, 1884, read:

> Labor is the source of all wealth, therefore all wealth belongs to labor. The object of the Social Democratic Federation is the establishment of a free society, based on the principles of political equality, with equal social rights for all and complete emancipation of labor.

Then followed a list of immediate demands, including universal suffrage, the elimination of a standing army, free education, free justice, home rule for Ireland, "the production of wealth to be regulated by society in the common interests of all; the means of production, distribution, and exchange to be declared collective property."

[3] *Justice,* April 19, 1884.

The Federation in its early days included, besides Hyndman, the poet William Morris, Ernest Belfort Bax, Eleanor Marx, daughter of Karl Marx, Walter Crane, the artist, Henry H. Champion, Harry Quelch, editor of their paper, *Justice*, Helen Taylor, step-daughter of John Stuart Mill, and other notables. Morris was among the most enthusiastic and active. He helped to finance the Federation's publications. He delivered lectures on socialism on street corners and before working men's clubs, played the part of a newsboy in distributing literature, and wrote pamphlets, books and poems, calling upon the masses to align themselves with the movement. Typical of these poems were the following:

> Come, shoulder to shoulder, ere the earth grows older!
> The Cause spreads over land and sea;
> Now the world shaketh and fear awaketh,
> And joy at last for thee and me.

and

> Come, then, let us cast off all fooling,
> And put by ease and rest,
> For the Cause alone is worthy
> Till the good days bring the rest.
>
> Come, join in the only battle
> Wherein no man can fail,
> Where whoso fadeth and dieth,
> Yet his deed shall still prevail.
>
> Ah! come, cast off all fooling,
> For this, at least, we know:
> That the Dawn and the Day is coming
> And forth the banners go.

In 1884 some of the Federation's more prominent members broke away and formed the Socialist League, which, coming under anarchist control, soon began to disintegrate. The Social Democratic Federation remained intact, however, and was, until the breaking out of the World War, the most pronounced Marxist organization in England.

Organization of the Fabians.—Some two years after the organization of Hyndman's Federation, a small group of

earnest students started, in the fall of 1883, a series of meetings which resulted in the formation of the Fabian Society.

The occasion for the first gathering was the visit of Thomas Davidson from America. Davidson was a descendant of the utopians of Brook Farm and the Phalanstery, "and what he yearned for was something in the nature of a community of superior people withdrawn from the world because of its wickedness, and showing by example how a higher life might be led." [4]

The group that met were divided between those who emphasized individual regeneration and those who felt that their main emphasis should be laid on social, rather than individual, progress. The latter group sympathized with the work that was being done by the Social Democratic Federation. They stayed outside this organization, however, partly because "it assumed that a revolutionary change affecting the very bases of society could be brought about at once; second, it appeared to ignore what may be called the spiritual side of life, and to disregard the ethical changes necessary to render a different social system possible." [5]

At the November 7 meeting of the group, after much discussion regarding the efficacy of moral and social reforms, the following resolution was passed:

> The members of the Society assert that the competitive system assures the happiness and comfort of the few at the expense of the suffering of the many and that Society must be reconstituted in such a manner as to secure the general welfare and happiness.[6]

Naming the Society.—On January 4, the society was formally organized as the Fabian Society, and for a convenient motto took the following:

> For the right moment you must wait, as Fabius did, most patiently, when warring against Hannibal, though many cen-

[4] Pease, *History of the Fabian Society*, p. 26.
[5] Clarke, William, in *The Fabian Essays in Socialism*, p. xiii.
[6] Pease, *op. cit.*, p. 32.

sured his delays; but when the time comes you must strike hard, as Fabius did, or your waiting will be in vain and fruitless.

H. G. Wells afterwards pointed out, however, that Fabius never did strike hard.

The Society's Basis.—In 1887, a few years after the formation of the society, it hammered out its Basis which, with slight modification, remains the Basis of the present day:

> The Fabian Society consists of socialists.
>
> It therefore aims at the reorganization of society by the emancipation of land and industrial capital from individual and class ownership, and the vesting of them in the community for the general benefit. In this way only can the natural and acquired advantages of the country be equitably shared by the whole people.
>
> The Society accordingly works for the extinction of private property in land and of the consequent individual appropriation in the form of rent, of the price paid for permission to use the earth, as well as for the advantages of superior soils and sites.
>
> The Society, further, works for the transfer to the community of the administration of such industrial capital as can be conveniently managed socially. For, owing to the monopoly of the means of production in the past, industrial inventions and the transformation of surplus income into capital have mainly enriched the proprietary class, the worker being now dependent upon that class for means to earn a living.
>
> If these measures be carried out, without compensation (though not without such relief to expropriated individuals as may seem fit to the community), rent and interest will be added to the reward of labor, the idle class now living on the labor of others will necessarily disappear, and practical equality of opportunity will be maintained by the spontaneous action of economic forces with much less interference with personal liberty than the present system entails.
>
> For the attainment of these ends the Fabian Society looks to the spread of socialist opinions, and the social and political changes consequent thereon, *including the establishment of equal citizenship for men and women.* It seeks to achieve these ends by the general dissemination of knowledge as to the relation between the individual and society in its economic, ethical and political aspects.[7]

The Society attracted some of the most brilliant of the

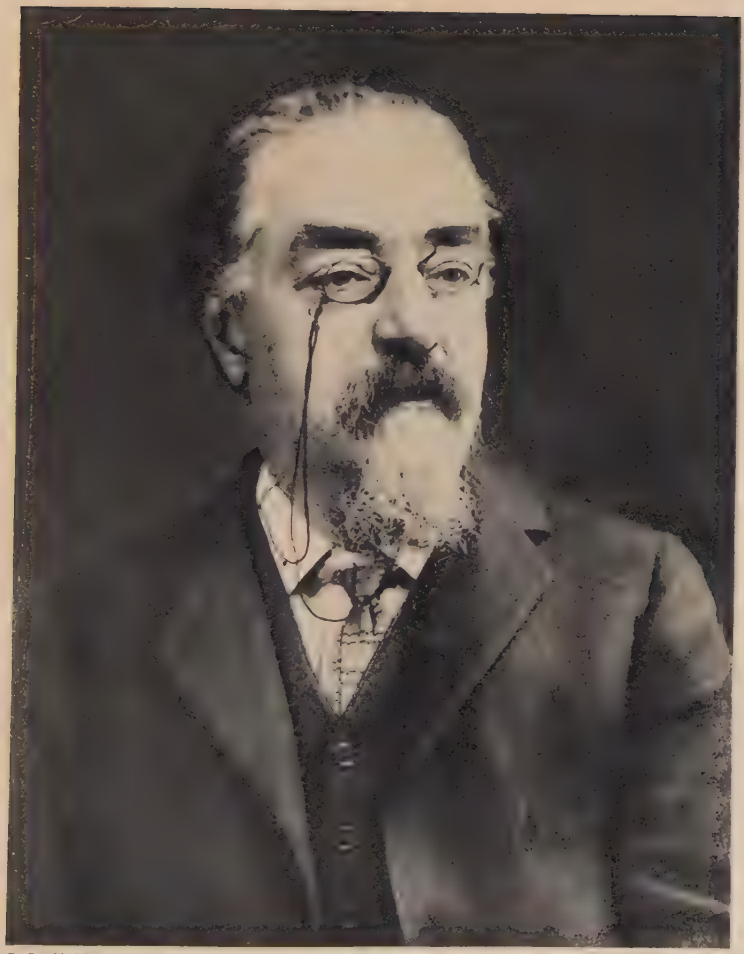
[7] *Ibid.*, p. 269. The words in italics were added in 1907.

younger men of England. George Bernard Shaw[8] joined it in September, 1884. He later wrote in the minutes of the first meeting he attended in May of that year: "This meeting was made memorable by the first appearence of Bernard Shaw."

Sidney Webb,[9] who was destined to become the Society's

[8] George Bernard Shaw, who is generally regarded as the foremost dramatist of the English speaking world, was born July 26, 1856, in Dublin, Ireland. He was the son of an ex-civil servant, turned merchant. His mother, daughter of a country gentleman, became a teacher of singing late in life in London to support her son. George Attended Wesley College, Dublin, and other schools. At the age of 15 he entered the office of an Irish land agent; went to London in 1876 and wrote his first novel, *Immaturity*, three years later. In London he became successively a member of the reviewing staff of the *Pall Mall Gazette*, art critic of the *World*, musical critic of the *Star* and of the *World*, and dramatic critic of the *Saturday Review*. One of the earliest members of the Fabian Society, he was a member of its Executive continuously from 1884 to 1911 and chairman of the Labor Research Department for several years. He spoke extensively for Socialism, edited the Fabian Essays and a number of other volumes, was the author of *The Impossibilities of Anarchism*, *Socialism for Millionaires*, *The Common Sense of Socialism*, etc. Later in his career, he came to the conclusion that he could be of more use to the socialist movement by writing plays than by writing economic essays. The series of brilliant plays which have given him the reputation of the foremost dramatist of modern times followed. Mr. Shaw, however, has kept up his connection with the socialist movement and has remained one of the mainstays of the Fabian Society. On the occasion of his 70th anniversary, he stated that he was more proud of his socialist faith than of his literary achievements. He has always believed that under socialism, workers should be paid equally irrespective of their product. (See *The Socialism of Shaw*, N. Y.: Vanguard Press, 1927.)

[9] Sidney Webb was born in London in 1859. He was educated in Switzerland and Germany, received his LL.B. from the University of London, became a barrister and in 1878 became a member of the British civil service, serving in the war, tax and colonial offices. In 1881 he was elected a member of the London City Council, and was an active figure in this Council for the next eighteen years. He also served on many government commissions. From 1894 to 1925, he was co-author, with his wife, of more than 20 volumes, including the *History of Trade Unionism*, *Industrial Democracy*, *English Local Government*, 6 volumes; *Consumers' Cooperative Movement*, etc. During the nine months of the Macdonald cabinet in 1924 he was head of the Board of Trade. Since 1912, he has been Professor of Public Administration of the University of London and since 1895, lecturer of the London School of Economics. In 1922 he was elected member of Parliament on the Labor party ticket. He and his wife have been the most prominent members of the



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SIDNEY WEBB (1859-)

most important figure, joined in 1885 along with his Colonial office colleague, Sidney Olivier. Graham Wallas, Annie Besant, Hubert Bland, H. W. Massingham, Edward R. Pease, H. H. Champion, Percival Chubb and William Clarke were among the early signers, later followed by H. G. Wells, Beatrice Potter Webb,[10] Ramsay Macdonald, Pethick-Lawrence, Sir Leo Chiozzo-Money, Keir Hardie, G. D. H. Cole and a host of others.

The Society developed a pamphlet literature which has secured an international reputation for its high scholarship and literary style. It prepared and introduced many legislative measures; encouraged its members to enter legislative bodies; aided in the organization of the Labor party and arranged for thousands of lectures by its members before groups of all sorts. In speaking of his early days as a member of the Society, Bernard Shaw wrote:

"My own experience may be taken as typical. For some years I attended the Hampstead Historic Club once a fortnight, and spent a night in the alternate weeks at a private circle of economists which has since blossomed into the British Economic Association—a circle where the social question was left out, and the work kept on abstract scientific lines. I made all my acquaintances think me madder than usual by the pertinacity with which I attended debating societies and haunted all sorts of hole-and-corner debates and public meetings and made speeches at them. I was President of the Local Government Board at an amateur Parliament where a Fabian ministry had to put its proposals into black and white in the shape of parlia-

Fabian Society and among the most prominent and prolific writers on economics in England.

[10] Beatrice Potter Webb was born in 1858, daughter of a financier, at one time chairman of the Western Railway and of the Grand Trunk Railway of Canada. She was privately educated, and received an Honorary LL.D. degree from Edinburgh and an Hon. D.Lit. degree from Manchester. One of her first contributions was *The Cooperative Movement in Great Britain* (1891). She served on several Royal Commissions, and, as member of the Poor Law Commission, 1905–1909, submitted with others the famous minority report. She collaborated with her husband in most of his important works. A fascinating account of her life is contained in her autobiography, *My Apprenticeship* (1926).

mentary bills. Every Sunday I lectured on some subject which I wanted to teach to myself; and it was not until I had come to the point of being able to deliver separate lectures, without notes, on rent, interest, profits, wages, toryism, liberalism, socialism, communism, anarchism, trade-unionism, cooperation, democracy, the Division of Society into Classes, and the Suitability of Human Nature to Systems of Just Distribution, that I was able to handle social democracy as it must be handled before it can be preached in such a way as to present it to every sort of man from his own particular point of view. . . . A man's socialistic acquisitiveness must be keen enough to make him actually prefer spending two or three nights a week in speaking and debating or in picking up social information even in the most dingy and scrappy way, to going to the theatre, or dancing or drinking, or even sweethearting, if he is to become a really competent propagandist—unless, of course, his daily work is of such a nature as to be in itself a training for political life; and that, we know, is the case with very few of us indeed. It is at such lecturing and debating work, and on squalid little committees and ridiculous little delegations to conferences of the three tailors of Tooley Street, with perhaps a deputation to the Mayor thrown in once in a blue moon or so, that the ordinary Fabian workman or clerk must qualify for his future seat on the Town Council, the School Board, or perhaps in the Cabinet.''[11]

The Fabian Essays.—The most comprehensive statement of the early Fabian approach to socialism is contained in the Fabian Essays, edited by Bernard Shaw and based on a series of lectures delivered by prominent members of the Fabian Society before London audiences in the year 1888. There are seven of these lectures. Four of them deal with the Basis of Socialism—Historic, Economic, Industrial and Moral. Two try to visualize the socialist society of the future, and one is devoted to the transition to socialism. Bernard Shaw, Sidney Webb, William

[11] Pease, *op. cit.*, pp. 77-8.

Clarke, Sydney Olivier, Graham Wallas and Annie Besant are the authors.

The Fabian Society never had a president and no person or group of persons ever claimed to act as its authoritative spokesman. Nevertheless the Essays are so representative of the general point of view of the members of the Society in the early days as to warrant a careful summary of them.

Historic Basis of Socialism

Webb on "The Historic Basis of Socialism."—To Sidney Webb, "Barrister of Law and Lecturer of Political Economy at the City of London College," was given the task in these essays of dealing with the Historic Basis of Socialism. Webb's treatment of this phase of the subject was in essence as follows:

"The historic ancestry of the English social organization during the present century stands witness to the irresistible momentum of the ideas which socialism denotes. The record of the century in English social history begins with the trial and hopeless failure of an almost complete industrial individualism, in which, however, unrestrained private ownership of land and capital was accompanied by subjection to a political oligarchy. So little element of permanence was there in this individualistic order that, with the progress of political emancipation, private ownership of the means of production has been, in one direction or another, successively regulated, limited and superseded, until *it may now fairly be claimed that the socialist philosophy of today is but the conscious and explicit assertion of principles of social organization which have been already in great part unconsciously adopted. The economic history of the century is an almost continuous record of the progress of socialism.*" [12]

Socialism, Webb continued, has also an internal history of its own. Until the present century its form was largely

[12] Shaw and Others, *Fabian Essays* (Boston: The Ball Publishing Co., 1908), pp. 26-7.

utopian, and its advocates offered "an elaborate plan with specifications of a new social order from which all contemporary evils were eliminated. Just as Plato had his Republic and Sir Thomas More his Utopia, so Babeuf had his Charter of Equality, Cabet his Icaria, St.-Simon his Industrial System, and Fourier his ideal Phalanstery. Robert Owen spent a fortune in pressing upon an unbelieving generation his New Moral World; and even August Comte, superior as he was to many of the weaknesses of his time, must needs add a detailed Policy to his Philosophy of Positivism." [13]

Society Dynamic.—The difficulty with all of these proposals was that they regarded society as static. "The ideal society was represented as in perfectly balanced equilibrium, without need or possibility of future organic alteration. Since their day we have learned that social reconstruction must not be gone at in that fashion. - Owing mainly to the efforts of Comte, Darwin and Herbert Spencer, we can no longer think of the ideal society as an unchanging state. The social ideal from being static has become dynamic. The necessity of the constant growth and development of the social organism has become axiomatic. *No philosopher now looks for anything but the gradual evolution of the new order from the old, without breach of continuity or abrupt change of the entire social tissue at any point during the process.* The new becomes itself old, often before it is consciously recognized as new; and history shows no example of the sudden substitution of utopian and revolutionary romance." [14] (Italics ours.)

Democratic Progress Brings Socialism.—"The main stream that has borne European society towards socialism during the past one hundred years is the irresistible progress of democracy." De Tocqueville drove home this truth to a reluctant world two generations ago. Some there are who imagine that democracy is merely the substitution of one kind of political machinery for another. It is now, however, becoming increasingly recognized that political

[13] *Ibid.*, p. 27.
[14] *Ibid.*, p. 27.

changes bring with them corresponding changes in social and economic relations.

"Advocates of social reconstruction have learned the lesson of democracy, and know that it is through the slow and gradual turning of the popular mind to new principles that social reorganization, bit by bit, comes. All students of society who are abreast of their time, socialists as well as individualists, realize that *important organic changes can only be (1) democratic, and thus acceptable to a majority of the people, and prepared for in the minds of all; (2) gradual, and thus causing no dislocation, however rapid may be the rate of progress; (3) not regarded as immoral by the mass of the people, and thus not subjectively demoralizing to them; and (4) in this country at any rate, constitutional and peaceful.* . . . There is every day a wider consensus that the inevitable outcome of democracy is the *control by the people themselves,* not only of their own political organization, but, through that also, *of the main instruments of wealth production; the gradual substitution of organized cooperation for the anarchy of the competitive struggle;* and the consequent recovery, in the only possible way, of what John Stuart Mill calls the enormous share which the possessors of the instruments of industry are able to take from the produce. *The economic side of the democratic ideal is, in fact, socialism itself.*" [15] (Italics ours.)

Feudalism and the Industrial Revolution.—Western Europe, in the middle of the eighteenth century, was still organized on a feudalistic basis. For the mass of the people there was nothing but obedience. "Even in England the whole political administration was divided between the king and the great families; and not one person in 500 possessed so much as a vote. As late as 1831, one hundred and fifty persons returned a majority of the House of Commons. The Church, once a universal democratic organization of international fraternity, had become a mere *appanage* of the landed gentry. The administration of justice and of the executive government was entirely in their

[15] *Ibid.*, pp. 30-1.

hands, while Parliament was filled with their leaders and nominees. No avenue of advancement existed for even exceptionally gifted sons of the people; and the masses found themselves born into a position of lifelong dependence upon a class of superior birth.

"The economic organization was of a similar character. Two-thirds of the population tilled the soil, and dwelt in lonely hamlets scattered about the still sparsely inhabited country. . . . It was a world still mainly mediaeval in political, in economic, and in social relations; a world of status and of permanent social inequalities not differing essentially from the feudalism of the past." [16]

This system was rudely shaken by the industrial revolution, brought about by the inventions of Watt, Crampton, Arkwright, Hargreaves and others. The manor gave way to the mill, the mine, the factory. "The mediaeval arrangement, in fact, could not survive the fall of the cottage industry; and it is, fundamentally, the use of new motors which has been for a generation destroying the individualist conception of property. The landlord and the capitalist are both finding that the steam-engine is a Frankenstein which had better not have been raised; for with it comes inevitably urban democracy, the study of political economy and socialism." [17]

The Democratic Triumph in England.—The French Revolution brought to a head the influences making for political change. It brought a violent reaction in England. The mildest agitation was put down by a strong hand. But the old order was doomed. Measures of repression gave place to measures of reform, culminating in the Reform Act of 1832, "by which the reign of the middle class superseded aristocratic rule." The people, however, were no more enfranchised than before. "Democracy was at the gates; but it was still at the wrong side of them. Its entry, however, was only a matter of time. Since 1832 English political history is the record of the reluctant enfranchisement of one class after another, by mere force of the tendencies of the age . . . The virtual completion of the political revolu-

[16] *Ibid.*, p. 33.

[17] *Ibid.*, p. 33.

tion is already in sight; and no more striking testimony can be given of the momentum of the new ideas which the Fall of the Bastille effectually spread over the world than this democratic triumph in England, within less than a century, over the political mediaevalism of ten centuries' growth.

"The full significance of this triumph is as yet unsuspected by the ordinary politician. The industrial evolution has left the stranger [the worker] a landless stranger in his own country. The political evolution is rapidly making him its ruler. Samson is feeling for his grip on the pillars." [18]

Brutal Reign of Individualism.—The first result of the industrial revolution was that of unrestrained license to appropriate the means of production for private gain. "Ignorant or unreflecting capitalists speak of those terrible times with exaltation. 'It was not five per cent or ten per cent,' says one, 'but thousands per cent that made the fortunes of Lancashire.'

"Mr. Herbert Spencer and those who agree in his worship of individualism apparently desire to bring back the legal position which made possible the 'white slavery' of which 'the sins of legislators' have deprived us; but no serious attempt has ever been made to get repealed any one of the Factory Acts. Women working half naked in the coal mines; young children dragging trucks all day in the foul atmosphere of the underground galleries; infants bound to the loom for fifteen hours in the heated air of the cotton mill, and kept awake only by the onlookers' lash; hours of labor for all, young and old, limited only by the utmost capabilities of physical endurance; complete absence of the sanitary provisions necessary to a rapidly growing population; these and other nameless iniquities will be found recorded as the results of freedom of contract and complete *laissez faire* in the impartial pages of successive blue book reports. But the Liberal mill owners of the day, aided by some of the political economists, stubbornly resisted every attempt to interfere with their free-

[18] *Ibid.*, pp. 34-5.

dom to use 'their' capital and 'their' hands as they found most profitable, and (like their successors today) predicted of each restriction as it arrived that it must inevitably destroy the export trade and deprive them of all profit whatsoever."[19]

Webb maintained that this emphasis on individual freedom was partly a result of the blundering interference with economic laws by the kings in preceding decades—their debasing of the currency and then their surprise, for instance, that, in spite of stringent prohibitions, prices skyrocketed and many fled the country. So the political economists joined with the utilitarians in the belief that every man must fight for himself and the "devil take the hindmost."

A revolt against this doctrine and its tragic results soon began to show itself. The first revolt came from the artistic side. Coleridge, Owen, Carlyle, Maurice, Kingsley, Ruskin, were its leaders. It was furthered by the conception of the social organism elaborated by Comte, Mill, Darwin and Spencer.

Advance of State Ownership.—Practical men were forced to seek a remedy for the ills of individualism. Numerous factory, drainage, mine, and public health laws, were passed. The liberty of the property owner to oppress the propertyless began to be circumscribed, obstructed and forbidden. "Slice after slice has gradually been cut out from the profits of capital, and therefore from its selling value, by socially beneficial restrictions on its user's liberty to do as he liked with it. Slice after slice has been cut from the incomes from rent and interest by the gradual shifting of taxation from consumers to persons enjoying incomes above the average from the kingdom. Step by step the political power and political organization of the country has been used for industrial ends, until *today the largest employer of labor is one of the ministers of the Crown (the Post Master General); and almost every conceivable trade is, somewhere or other, carried on by parish, munici-*

[19] *Ibid.*, pp. 36-7.

pality or the national government itself without the intervention of any middle man or capitalist.

"The theorists who denounce the taking by the community into its own hands of the organization of its own labor as a thing economically unclean, repugnant to the sturdy individual independence of Englishmen, and as yet outside the sphere of practical politics, seldom have the least suspicion of the extent to which it has already been carried out. Besides our international relations and the army, navy, police and the courts of justice, the community now carries on for itself, in some part or another of these islands, the post-office, telegraphs, carriage of small commodities, coinage, surveys, the regulation of the currency and note issue, the provision of weights and measures, the making, sweeping, lighting, and repairing of streets, roads and bridges, life insurance, the grant of annuities, shipbuilding, stockbrokering, banking, farming, and moneylending.

"It provides for many thousands of us from birth to burial—midwifery, nursery, education, board and lodging, vaccination, medical attendance, medicine, public worship, amusements, and interment. It furnishes and maintains its own museums, parks, art galleries, libraries, concert-halls, roads, streets, bridges, markets, slaughter-houses, fire-engines, light-houses, pilots, ferries, surf-boats, steam tugs, life boats, cemeteries, public baths, wash-houses, pounds, harbors, piers, wharves, hospitals, dispensaries, gasworks, waterworks, tramways, telegraph cables, allotments, cow meadows, artisans' dwellings, schools, churches and reading-rooms. It carries on and publishes its own researches in geology, meteorology, statistics, zoology, geography, and even theology.

"In our colonies the English government further allows and encourages the communities to provide for themselves railways, canals, pawn broking, theatres, forestry, cinchona farms, irrigation, leper villages, casinos, bathing establishments, and immigration, and to deal in ballast, guano, quinine, opium, salt, and what not.

"*Every one of these functions, with those of the army,*

navy, police, and courts of justice, were at one time left to private enterprise, and were a source of legitimate individual investment of capital. Step by step, the community has absorbed them, wholly or partially; and the area of private exploitation has been lessened." (Italics ours.)

Elimination of Personal Element in Business Management.—"Parallel with this progressive nationalization or municipalization of industry, there has gone on the elimination of the purely personal element in business management. The older economists doubted whether anything but banking and insurance could be carried on by joint stock enterprise: now every conceivable industry, down to baking and milk-selling, is successfully managed by the salaried officers of large corporations of idle shareholders. More than one-third of the whole business of England, measured by capital employed, is now done by joint stock companies, whose shareholders could be expropriated by the community with no more dislocation of the industries carried on by them than is caused by the daily purchase of shares on the Stock Exchange."[20]

Public Regulation Increases.—In addition to state ownership during the past decades there has developed an increasing amount of regulation of private enterprise by the state. "The inspection is often detailed and rigidly enforced. The state in most of the larger industrial operations prescribes the age of the worker, the hours of work, the amount of air, light, cubic space, heat, lavatory accommodations, holidays and meal times; where, when and how wages shall be paid; how machinery, staircase, lift holes, mines and quarries are to be fenced and guarded; how and when the plant shall be cleaned and repaired. . . .

"Even in the fields still abandoned to private enterprise, its operations are thus every day more closely limited, in order that the anarchic competition of private greed, which at the beginning of the century, was set up as the only infallible principle of social action, may not utterly destroy the state. All this was done by 'practical' men, ignorant,

[20] *Ibid.*, pp. 42-3.

that is to say, of any scientific sociology, believing socialism to be the most foolish of dreams, and absolutely ignoring, as they thought, all grandiloquent claim for social reconstruction. Such is the irresistible sweep of social tendencies, that in every act they worked to bring about the very socialism they despise; and to destroy the individualistic faith which they still professed. They builded better than they knew.'' [21]

These reforms have not, of course, been effected without the conscious efforts of individual reformers, but these reformers would have been powerless had not the social tendencies of the times been working with them, and making it expedient for legislators to heed the demands for improvement. Nor, declared Webb, is there any apparent prospect of the slackening of the pace away from individualism.

The Socialist Trend Among Economists.—Accompanying these newer developments a change is evident in the attitude of economists toward the social organism. Numbers are realizing that ''without the continuance and sound health of the social organism no man can now live or thrive; and its persistence is accordingly his paramount concern. This new scientific conception of the social organism has put completely out of countenance the cherished principles of the political scientist and the philosophic radical. We left them sailing gaily into anarchy on the stream of *laissez faire.* Since then the tide has turned.'' The publication of John Stuart Mill's *Political Economy* in 1848 marks conveniently the boundary of the old individualist economics. Every edition of Mill's book became more and more socialistic. After his death the world learned from his personal history, penned by his own hand, of his development from a mere political democrat to a convinced socialist.

Webb concludes: ''The change in tone since then has been such that one competent economist, professedly anti-socialist, publishes regretfully to the world that all the younger men are now socialists, as well as many of the

[21] *Ibid.*, p. 44

older professors. . . . Thirty years ago Herbert Spencer demonstrated the incompatibility of full private property in land with the modern democratic state; and almost every economist now preaches the same doctrine. . . . The steady increase in government regulation of private enterprise, the growth of municipal administration and the rapid shifting of the burden of taxation directly to rent and interest mark in treble lines the statesman's unconscious abandonment of the old individualism, and our irresistible glide into collectivist socialism.

"It was inevitable that the democracy should learn this lesson. With the masses painfully conscious of the failure of individualism to create a decent social life for four-fifths of the people, it might have been foreseen that individualism could not survive their advent to political power If private property in land and capital necessarily keeps the many workers permanently poor (through no fault of their own), in order to make the few idlers rich (from no merit of their own), private property in land and capital will inevitably go the way of the feudalism which it superseded. . . . *So long . . . as democracy in political administration continues to be the dominant principle, socialism may be quite safely predicted as its economic obverse,* in spite of those freaks and abberations of democracy which have already here and there thrown up a short lived monarchy or a romantic dictatorship. Every increase in the political power of the proletariat will most surely be used by them for their economic and social protection. In England, at any rate, the history of the century serves at once as their guide and their justification."[22] (Italics ours.)

Webb thus saw socialism coming in England, at least, not as a result of a cataclysmic change, but as a result of the development of political democracy, the changed conceptions of economists and the people generally respecting the relation of the individual to the commonwealth, and the gradual absorption by the municipalities, by the state and nation, of industrial and social functions. The evolution toward socialism most to be desired was an evolu-

[22] *Ibid.*, p. 52-5.

tion of a democratic, gradual, ethical and peaceful character.

An Industrial Basis for Socialism

Socialistic Trends in Factory Legislation.—While Sidney Webb dealt with the general historical trend toward a cooperative system of industry, William Clarke, M.A., was assigned to the task, in the Fabian Essays, of appraising the more specifically industrial forces leading in that direction. Mr. Clarke began his analysis with a careful survey of the effects of the industrial revolution on the working class and the absolute need of factory legislation to save the workers from utter demoralization under the capitalist system. The development of such legislation, he contended, destroyed the *laissez faire* regime. Further it proved:

"(1) That, with private property in the necessary instruments of production, individual liberty as understood by the eighteenth century reformers must be more and more restricted, *i.e.*, in our existing economic condition, individualism is impossible and absurd. (2) That even hostile or indifferent politicians have been compelled to recognize this. (3) That unrestrained capitalism tends as surely to cruelty and oppression as did feudalism or chattel slavery. (4) That the remedy has been, as a matter of fact, of a socialistic character, involving collective checking of individual greed and the paring of slices of the profits of capital in the interest of the working community. These four propositions can scarcely be contested."[23]

Capitalist Loses His Functions as Manager.—Capitalism has also led to other developments of significance to socialists. Among these developments has been the growing distinction between the capitalist and the entrepreneur. In the beginning of the capitalist regime, the capitalist was "a manager who worked hard at his business, and who received what economists have called 'the wages of superintendence.' So long as the capitalist occupied that position, he might be restrained and controlled in various ways, but he could not be got rid of. His 'wages of superintendence'

[23] *Ibid.*, pp. 70-1.

were certainly often exorbitant; but he performed real functions; and society, as yet unprepared to take those functions upon itself, could not afford to discharge him. Yet, like the King, he had to be restrained by the legislation already referred to; for his power involved much suffering to his fellows. But now the capitalist is becoming absolutely useless. Finding it easier and more rational to combine with others of his class in a large undertaking, he has now abdicated his position as overseer, has put in a salaried manager to perform his work for him, and has become a mere rent or interest receiver. The rent or interest he receives is paid for the use of a monopoly which, not he, but a whole multitude of people, created by their joint efforts.'' [24]

Rise of Joint Stock Company.—It was inevitable, declares Clarke, that the functions of manager should, with the progress of events, be separated from those of capitalist. As competition led to waste, it also led to the cutting of profits. To prevent this, it became necessary for some of the rival firms to mass their capital in order that they might be able to produce more cheaply and undersell their smaller competitors. Thus arose the joint stock company or corporation, which pooled many small capitals into one massive capital.

''Through this new capitalist agency,'' continues Clarke, ''a person in England can hold stock in an enterprise in the Antipodes which he has never visited and never intends to visit, and which, therefore, he cannot 'superintend' in any way. He and the other shareholders put in a manager with injunction to be economical. The manager's business is to earn for his employers the largest dividends possible; if he does not do so he is dismissed. The older personal relation between the workers and the employer is gone; instead thereof remains merely the cash nexus.'' [25]

To secure high dividends the manager endeavors to lower wages, and this in turn often means a strike or lockout, the importation of cheap labor, and, perhaps, intimidation by the capitalist controlled state.

[24] *Ibid.*, p. 76. [25] *Ibid.*, p. 77.

Development of Trusts.—The joint stock company in many industries develops into trusts and combines, the "ultimate effect of which must be the destruction of that very freedom which the modern democratic state posits as its first principle. Liberty to trade, liberty to exchange products, liberty to buy where one pleases, liberty to transport one's goods at the same rate and on the same terms enjoyed by others, subjection to no *imperium in imperio:* those surely are all democratic principles. Yet by monopolies every one of them is either limited or denied. Thus capitalism is apparently inconsistent with democracy as hitherto understood. The development of capitalism and of democracy cannot proceed without check on parallel lines. Rather they are comparable to two trains approaching each other from different directions on the same line. Collision between the opposing forces seems inevitable." [26]

However, both the trusts and democratic forces are inevitable growths of an evolutionary process. Combinations are "the most economical and efficient methods of organizing production and exchange. They check waste, encourage machinery, dismiss useless labor, facilitate transport, steady prices, and raise profits—*i.e.*, they best effect the objects of trade from the capitalist's point of view." [27]

The trust thus places the individualist either in the dilemma of accepting the terms dictated by the capitalist and of submitting to combination, or of advocating the socialist remedy of social ownership. For the capitalist will not turn back.

Capitalist May Be Eliminated.—The socialist has the logic of the situation. He declares that the capitalist is no longer a necessity to the industrial process; "that society can do without him, just as society now does without the slave-owner or feudal lord, both of whom were regarded as necessary to the well-being and even the very existence of society. In organizing its own business for itself, society can employ, at whatever rate of remuneration may be needed to call forth their powers, those capitalists who are skilled organizers and administrators. But those who are

[26] *Ibid.*, p. 89. [27] *Ibid.*, p. 90.

mere dividend receivers will not be permitted to levy a contribution on labor, but must earn their living by useful industry as other and better people have to do." [28]

Immediate Steps.—It may be said that society is not as yet ready for socialism. But it looks as if society is rapidly approaching an *impasse* necessitating some very definite extension of the collective authority, which, among other things, will lead to a general reduction of the hours of labor and an attempt on the part of the community to absorb a greater portion of those social values which society creates.

"As regards the great combinations of capital," writes Clarke, "state action may take one of three courses. It may prohibit and dissolve them; it may tax and control them; or it may absorb and administer them. In either case the socialist theory is *ipso facto* admitted, for each is a confession that it is well to exercise a collective control over industrial capital." [29]

If the first course is taken, there will be a retrogression to the chaos of "free competition" and a yielding of the undoubted benefits which combinations secure. Such a policy would also signify "the forcible prevention of acquisition of property, the very thing dearest to the individualist" and would put the state in the position of saying: "You shall carry your privileges of acquisition just up to the point where competition is likely to ruin you; and there you shall stop. Immediately you and your friends combine to prevent waste, to regulate production and distribution, to apply new methods of manufacture, we shall absolutely prevent you or restrain you by vexatious regulations." [30]

Public Control Probably First Step.—If we were sensible we would bring these combinations under common ownership immediately. "But the human race generally contrives to exhaust every device which stupidity can suggest before the right line of action is ultimately taken. I think therefore that some probably inefficient method of taxation and public control over combination will, as a mat-

[28] *Ibid.*, p. 90. [29] *Ibid.*, p. 91. [30] *Ibid.*, p. 91.

ter of fact, be adopted. Such legislation will immensely restrict individual liberty in certain directions, will produce much friction, and may possibly hamper production; until by a long series of experiments men shall discover what is the most reasonable way of acquiring for the community as a whole the wealth which it produces. But in any case individualism or anything whatever in the nature of *laissez faire* goes by the board."[31]

Socialists Cannot Support Step Backward.—As for the socialists, they should support every measure, however small, which is a genuine step forward; but they cannot support any effort to call back the past. They may help to build a new bridge across the gulf that separates us from the cooperative commonwealth; but they cannot repair the old, broken-down structure which leads back to individualism. Instead, therefore, of attempting to undo the work which capitalists are unconsciously doing for the people, the real reformer will rather prepare the people, educated and organized as a true industrial democracy, to take up the threads when they fall from the weak hands of a useless possessing class. By this means will the class struggle, with its greed, hate, and waste, be ended.

Fabians and the Economic Basis of Socialism

The Fabians and Economic Theory.—The Fabians, it is thus seen, regard socialism as the logical development from the present-day social and industrial situation.

During the early days of the Society, with the exception of Bernard Shaw and Sidney Webb, they gave comparatively little attention to economic theory in its relation to socialism. When some of them did direct their attention to the more theoretical aspects, they were inclined to take as their starting point the theory of economic rent, as expounded by the classical economists, rather than, as in the case of the Marxists, the theory of value.

Bernard Shaw, a close student of the economic theories of the classical school, describes the situation among the Fabians during the eighties:

[31] *Ibid.*, p. 92.

"By far our most important work at this period [during the eighties] was our renewal of that historic and economic equipment of social democracy of which Ferdinand Lassalle boasted, and which had been getting rustier and more obsolete ever since his time and that of his contemporary, Karl Marx. In the earlier half of the century when these two leaders were educated, all the socialists in Europe were pouncing on Ricardo's demonstration of the tendency of wages to fall to bare subsistence, and on his labor theory of value, believing that they constituted a scientific foundation for socialism; and the truth is that since that bygone time, no socialist (unless we count Ruskin) had done two-pennyworth of economic thinking, or made any attempt to keep us up to date in the scientific world.

"In 1885 we used to prate about Marx's theory of value and Lassalle's iron law of wages as if it were still in 1870. In spite of Henry George, no socialist seemed to have any working knowledge of the theory of *economic rent;* its application to skilled labor was so unheard of that the expression 'rent of ability' was received with laughter when the Fabians first introduced it into their lectures and discussions; and, as for the modern theory of value, it was scouted as a blasphemy against Marx." [32] (Italics ours.)

Shaw and Webb on Economic Rent.—In an effort to correct this defect in economic thinking among the socialist intellectuals, and to satisfy his curiosity, Shaw, for several years, regularly attended the fortnightly meetings of the Hampstead Historic Club, which devoted itself to the study of Marx and Proudhon, among others, and, on alternate weeks, visited a circle of economists which later blossomed into the British Economic Association—a circle "where the social question was kept out and the work kept on abstract lines." [33]

He became fascinated with Jevons' theory of marginal utility and adopted it as his theory of value. He accepted Ricardo's law of rent and was likewise greatly influenced by the economic writings of Henry George, whose

[32] Shaw, Fabian Tract 41, *The Fabian Society*, p. 15.
[33] *Ibid.*, p. 16.

Progress and Poverty "beyond all question had more to do with the socialist revival of that period in England than any other book." [34]

In the meanwhile, Webb studied John Stuart Mill with great assiduity, accepted Mill's law of rent, and applied it to movable capital as well as to land.

Private Appropriation of Rent Leads to Injustice.—To Shaw was given the task in the *Essays* of presenting the economic theories of the early Fabians. Naturally, he began with an analysis of the law of rent. He took as his definition the widely accepted one that rent in substance was "the difference between the fertility of the land for which it is paid and that of the worst land in the country." The workings of this law under private ownership, he contended, led to grave injustices. For illustration! Adam owns a piece of primeval land. This land is fertile and well situated. It yields 1000 pounds a year. Others appear on the earth and seek land. They spread the area of cultivation into the wilderness until they begin the farming of land which yields but 500 pounds annually.

When this occurs, the rent of Adam's land is 500 pounds a year, the difference between the yield of his land and the yield of the marginal land. Adam rents his land at that price—500 pounds—to a tenant. Adam retires and obtains from the mere ownership of land, without a stroke of work, 500 pounds, an amount equal to that retained by his tenant, who sweats from morning until night.

Suppose that other people appear on the earth and demand more land. The margin of cultivation is pushed still further, until marginal land is reached which yields, say, but 100 pounds a year. When this happens, the rent of Adam's land goes up still further. It now becomes the difference between 1000 pounds and 100 pounds, or 900 pounds. Suppose that the tenant on Adam's land has a long term lease. He may then sub-let it to a laborer for 900 pounds a year. In this case, the laborer, who does all of the work, keeps 100 pounds as his share, the amount of which he would earn if he worked for himself on the mar-

[34] Pease, *History of the Fabian Society*, p. 260.

ginal land, and hands over 900 pounds to the tenant. The tenant, who has by this time become a country gentleman, keeps 400 pounds, and hands over 500 pounds to Adam, while Adam continues to enjoy his leisure and his generous income of 500 pounds.

"It has, in fact, come to this," writes Shaw, "that the private property in Adam's land is divided between three men, the first doing none of the work and getting half of the produce; the second doing none of the work and getting two-fifths of the produce; and the third doing all of the work and getting only one-tenth of the produce. Incidentally also, the moralist who is sure to have been prating somewhere about private property leading to the encouragement of industry, the establishment of a healthy incentive, and the distribution of wealth according to exertion, is exposed as a futile purblind person, starting *a priori* from blank ignorance, and proceeding deductively to mere contradiction and patent folly." [35]

The Proletarian Appears.—But this condition, under which every man is a proprietor, if even only of a tenant right, is "freedom and happiness" compared with the world as it is. For there finally comes a time when no more land is to be had, and at this point there appears one "who wanders from snow line to sea coast in search of land, and finds none that is not the property of some one else." This is the proletarian. The proletarian soon discovers that the tenant proprietors have not time or energy enough to exhaust the productive capacity of their holdings. If they could buy men in the market for less than the labor of these men would add to the product, then the purchase of such men would be sheer gain. It would indeed be only a purchase in form; the men would literally cost nothing, since they would purchase their own price, with a surplus for the buyer. Never in the history of buying and selling was there so splendid a bargain for buyers as this. Aladdin's uncle's offer of new lamps for old ones, was in comparison a catch-penny. The result is that the worker sells himself into bondage. His lot becomes differ-

[35] *Fabian Essays*, pp. 5-6.

ent from his forerunners—the buyers of tenant rights—for he renounces not only the fruit of his labor, "but also the right to think for himself and to direct his industry as he pleases." [36]

This selling of labor power becomes ever more frequent until this new traffic soon takes the place formerly held by traffic in tenant rights.

Exchange Value.—From this discussion of rent, Shaw turns to the analysis of the exchange of commodities, including labor power. Here he takes issue with Marx. The exchange value of a commodity, according to Shaw, depends not on the quantity of labor embodied therein, but on its utility. "No mortal exertion can make a useless thing exchangeable, nor is it exchangeable if it is limited in supply." Exchange value is fixed by the utility, not of the most useful, but of the least useful part of the stock.

Should much profit be obtained from their sale, the tendency is for the commodities to be so increased in amount that the price secured for them is brought down to the cost of their production, or, at least, the cost of production on the margin of cultivation. This means a very considerable profit to those who produce more economically, "as commodities produced well within the margin of cultivation will fetch as high a price as commodities produced at the margin with much greater labor. Under these conditions, individuals are constantly striving to decrease the supply so as to force the value of the commodities they handle to the highest possible point."

Labor Power.—The proletarian has a commodity to sell. That commodity is labor power. Over this commodity he has practically no control. He is himself driven to produce it by an irresistible impulse. So plentiful has this commodity become in England that it can be had for the asking. "The proof of this is the existence of the unemployed who can find no purchasers." [37]

Wages.—What is the explanation of wages, the price received by the worker for this commodity? The wage of the worker is not the price of himself. He is worth noth-

[36] *Ibid.*, p. 9. [37] *Ibid.*, p. 15.

ing. It is his keep. "For bare subsistence wages you can get as much common labor as you want."

And the more the workers are degraded, and robbed of all artistic enjoyment, the more they are thrown back on the gratification of their instinct to produce fresh supplies of men. They breed like rabbits. Their poverty breeds filth, ugliness, dishonesty, disease, and murder. "You withdraw in disgust to the other side of the town from them; you appoint special carriages on your railways and special seats in your churches and theatres for them; you set your life apart from them by every class barrier you can devise; and yet they swarm about you still; your face gets stamped with your habitual loathing and suspicion of them; . . . they poison your life as remorselessly as you have sacrificed theirs heartlessly. You begin to believe intensely in the devil. Then comes the terror of their revolting; drilling and arming bodies of them to keep down the rest; the prison, the hospital, paroxysms of frantic coercion, followed by paroxysms of frantic charity." [38]

Riches vs. Wealth.—It is often said that wealth is increasing side by side with poverty. Riches are increasing, which is a different thing. "In the things that are wanted for the welfare of the people we are abjectly poor; and England's social policy today may be likened to the domestic policy of those adventuresses who leave their children half-clothed and half-fed in order to keep a carriage and deal with a fashionable dressmaker. But it is quite true that *whilst wealth and welfare are decreasing, productive power is increasing; and nothing but the perversion of this power to the production of socially useless commodities prevents the apparent wealth from becoming real. The purchasing power that commands luxuries in the hands of the rich would command true wealth in the hands of all.* Yet private property must still heap the purchasing power upon the few rich and withdraw it from the many poor. . . . With all its energy, its 'self help,' its merchant princely enterprise, its ferocious sweating and slave driving, its prodigality of blood, sweat and tears, what has it

[38] *Ibid.*, p. 18.

heaped up, over and above the pittance of its slaves? Only a monstrous pile of frippery, some tainted class literature and class art, and not a little poison and mischief.

"This, then, is the economic analysis which convicts private property of being unjust even from the beginning, and utterly impossible as a final solution of even the individualist aspect of the problem of adjusting the share of the worker in the distribution of wealth to the labor incurred by him in its production." [39] (Italics ours.)

What Socialism Involves.—Shaw maintains that the private appropriation of land is the source of the unjust privileges against which socialism is aimed. Socialism, however, does not involve at present a literal restoration of the land to the people. "The land is at present in the hands of the people: its proprietors are for the most part absentees. The modern form of private property is simply a legal claim to take a share of the produce of the national industry year by year *without working for it. . . . Socialism involves the discontinuance of the payment of these incomes, and addition of the wealth so saved to incomes derived from labor.* As we have seen, incomes derived from private property consist partly of economic rent; partly of pensions, also called rent, obtained by the sub-letting of tenant rights; and partly of a form of rent called interest, obtained by special adaptations of land to production by the application of capital; *all these being finally paid out of the difference between the produce of the worker's labor and the price of that labor sold in the open market for wages, salary, fees or profits.*[40] *The whole, except economic rent, can be added directly to the incomes of the workers by simply discontinuing its exaction from them. Economic rent,* arising as it does from variations of fertility or advantages of situation, *must always be held as common or social wealth,* and used, as the revenues raised by taxation are now used for public purposes, among which socialism

[39] *Ibid.*, pp. 19-20.

[40] "This excess of the product of labor over its price," writes Shaw in a footnote, "is treated as a single category with impressive effect by Karl Marx, who called it 'surplus value.'"

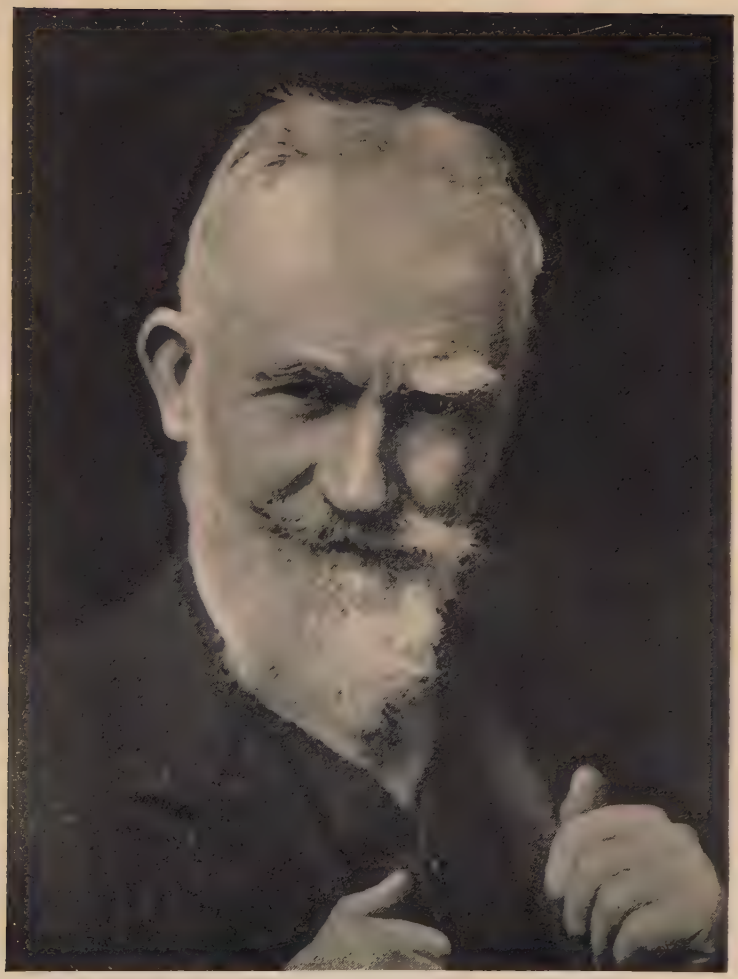
would make national insurance and the provision of capital matters of the first importance."[41] (Italics ours.)

Fabians Go Beyond Henry George in Applying Law of Rent to Capital.—As may be gleaned from the above analysis, Shaw was greatly influenced by Henry George in placing the law of economic rent in the center of the stage in the discussion of the economics of socialism. However, Shaw, Webb and the other Fabians went beyond George, Ricardo, and Mill, and applied this law to capital as well as to land. They claimed that the world of business enterprise was as diverse in its productivity as were the various classes of soil. The differential advantages of sites, of machinery, of the more favored businesses, consisted of great industrial rents, which did not result from the mental and bodily efforts of the capitalists.

Taking the contention of Henry George and the Single Taxers that, unlike land, capital is created by labor, and therefore the proper subject of private ownership, Shaw and the rest of the Fabians first insist that much of the value of land is also due to labor. It is true, they admit, that nature bestows on land certain "natural capabilities" —climate, virgin soil, and mineral elements. But these qualities are of no value unless the land is found in accessible positions "and *their advantage to the proprietor of the land increases rapidly as human society develops in their neighborhood;* whilst in all advanced societies we find large areas of town lands whose usefulness and value have nothing to do with their soils, but are due entirely to the social existence and activity of man. . . . 'Prairie value' is a fiction. Unpopulated land has only a value through the expectation that it will be peopled. The 'natural' capabilities of land are thus increased, and, indeed, even called into existence, by the mere development of society. But, further, every foot of agricultural and mining land in England has been improved as an instrument of production by the exercise of labor."[42] (Italics ours.)

Labor Exercised on Land and Capital.—This labor is

[41] *Ibid.*, pp. 22-3.
[42] Fabian Tract No. 7, *Capital and Labor* (Revised 1908), pp. 3-4.



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G. BERNARD SHAW (1856-)

exercised, first of all, not on the land itself, but by the clearing of forests, the draining of swamps, the making of canals, roads and railways in the neighborhood of the land, the building of villages and towns, the development of scientific agriculture, of manufacture and foreign commerce. In the second place, "every farm or garden, every mine or quarry, is saturated with the effects of human labor. Capital is everywhere infused into it and intermixed with land. . . . Who distinguishes from the farm, the lanes, the hedges, the gates, the drains, the buildings, the farm houses?" [43]

Of course socialists do not overlook that there are differences between land and capital, "but they deny, on the grounds already partly stated, that any distinction can be founded on them sufficiently clear and important to justify the conclusion drawn."

Capitalist and Landlord.—Suppose, however, the Fabians continue, that the assumption is granted that land is not the product of labor and that capital is, "*it is not by any means true that the rent of land is not the product of labor and that the interest on capital is.* Nor is it true, as land nationalizers frequently seem to assume, that capital necessarily becomes the property of those whose labor produces it; whereas land is undeniably in many cases owned by persons who have got it in exchange for capital, which may, according to our premises, have been produced by their own labor. Now since private ownership, whether of land or capital, simply means the right to draw and dispose of a revenue from the property, why should the landlord be forbidden to do that which is allowed to the capitalist in a society in which land and capital are commercially equivalent?

"In England industrial capital is mainly created by wage-workers—who get nothing for it but permission to create in addition enough subsistence to keep each other alive in a poor way. Its immediate appropriation by idle proprietors and shareholders, whose economic relation to the workers is exactly the same in principle as that of the

[43] *Ibid.*, p. 4.

landlords, goes on every day under our eyes. The landlord compels the worker to convert his land into a railway, his fen into a drained level, his barren sea-side waste into a fashionable watering place, his mountain into a tunnel, his manor park into a suburb full of houses let on repairing leases; and lo! he has escaped the land nationalizers: his land is now become capital and is sacred." The position is glaringly absurd.[44] (Italics ours.)

Moral Basis of Socialism

Thus the Fabians approach socialism from the historic, the industrial and the economic angle. To Sidney Olivier, afterwards Lord Olivier and Secretary for India under the Labor government, was left the exposition of the Moral Basis.

Individualism and Socialism.—Olivier maintains that so far from socialism being the antithesis of individualism, it is "the offspring of individualism, . . . the outcome of the individualist struggle, . . . the necessary condition for the approach of the individualist ideal." The opposition commonly assumed between individualism and socialism is based on the confusion between *personality* and *personalty,* "between a man's life and the abundance of things that he has. Socialism is merely individualism rationalized, organized, clothed and in its right mind. Socialism is taking form in advanced societies and the social revolution must be brought to its formal accomplishment through the conscious action of innumerable individuals seeking an avenue to rational and pleasant existence for themselves and for those whose happiness and freedom they desire as they do their own." [45]

Present System Immoral.—The present system of private ownership is immoral, Olivier declares. Most of our opinions regarding social morality are adapted to a system in which every citizen is contributing active service. The most ancient and universal judgments of mankind as to the virtues of industry, of honesty, of loyalty and forbear-

[44] *Ibid.,* p. 5.

[45] *Fabian Essays,* p. 96.

ance between man and man, point to societies composed of free and equal individuals dependent for their subsistence upon the exercise of each one's abilities. In the present society the livelihood of the typical workingman is earned by the exercise of his faculties for useful activity. On the other hand, that of the typical capitalist, or owner of property, "is obtained without any contribution of his or her activity, in the form of a pension called rent, interest or dividend, guaranteed by law out of the wealth produced from day to day by the activities of the proletariat."[46]

Under such conditions the parasitic class, while preaching thrift and industry, becomes interested not so much in productive endeavor, but in agreeable and exciting methods of passing time. And this parasitism leads to snobbery, lying, hypocrisy and a laudation of useless endeavor as opposed to honest toil.

Effects of Capitalism on Character.—No class can live in idleness except by the double labor of another class or classes. The exploited class remains generally industrious and kindly, "thus exhibiting the two most important qualifications for social life. It remains to a great extent honest, though competition and capitalism are directly antagonistic to honesty." But the capitalist order is constantly engaged in thrusting workers from their occupations to unknown fields. Thousands of them suffer from unemployment. The strong survive, but the weak invariably become outcasts and paupers, unprofitable and hopeless. Their children become street Arabs. This situation is leading to an increasing demand that society shall reestablish a moral social order where each individual has an opportunity to earn a living, and where there is a compulsion upon him so to do.[47]

Under present conditions the average worker lacks intelligence in his amusements and refinement in his tastes. "But when society has insured for man the opportunity for satisfying his primary needs—once it has insured him a healthy body and wholesome life,—his advance in the refinements of social morality, in the conception and satis-

[46] *Ibid.*, p. 105.

[47] *Ibid.*, pp. 112-3.

faction of his secondary and more distinctly human desires, is solely and entirely a matter of education. . . . But education in the sense alluded to is impossible for the lad who leaves school at fourteen and works himself weary six days in the week ever afterwards."[48]

Need of Education.—Social morality is fostered by means of various forces. One is the educational system. The ideal of the school implies leisure to learn, "that is to say, the release of children from all non-educational labor until mind and physique have had a fair start and training, and the abolition of compulsion on the adult to work any more than the socially necessary stint. . . . The schools of the adult are the journal and the library, social intercourse, fresh air, clean and beautiful cities, the joy of the fields, the museum, the art gallery, the lecture-hall, the drama, and the opera; and only when these schools are free and accessible to all will the reproach of proletarian coarseness be done away with."[49]

Industrial Cooperation an Aid to Social Morality.—Yet the most important influence in the changing of social morality may be found in socialist forms of property. "Nothing so well trains the individual to identify his life with the life of society as the identification of the materials of his material sustenance with those of his fellows, in short, as industrial cooperation. . . ." The individual worker under machine production earns his living not by direct personal production, "but by an intricate cooperation in which the effect and value of his personal effort are almost indistinguishable. The apology for individualist appropriation is exploded by the logic of the facts of communist production: no man can pretend to claim the fruits of his own labor; for his whole ability and opportunity for working are plainly a vast inheritance and contribution of which he is but a transient and accidental beneficiary and steward; and his power of turning them to his own account depends entirely upon the desires and needs of other people for his services. The factory system, the machine industry, the world commerce, have abolished in-

[48] *Ibid.*, p. 113. [49] *Ibid.*, p. 115.

dividualist production; and the *completion of the cooperative form towards which the transition stage of individualist capitalism is hurrying us, will render a conformity with social ethics,* a universal condition of tolerable existence for the individual.'' [50] (Italics ours.)

The morality of socialism is only that which the conditions of existence have made necessary. ''It is the expression of the external passion of life seeking its satisfaction through the striving of each individual for the freest and fullest activity.''

The Fabian Forecast of a Socialist Society

Property under Socialism.—Thus, according to the Fabians, social and industrial developments are leading to socialism, while at the same time sound economic and moral principles demand that the system of social ownership be substituted for the present industrial order. The Fabians do not stop with the analysis of trends toward socialism. They give much attention to the character of the social system that socialists should strive to attain. In doing this, they attempt to avoid the errors of the early utopians in depicting in detail their ideal social state, irrespective of social trends, and endeavor to trace to their logical conclusion social tendencies definitely observable in the body politic.

Graham Wallas, a political scientist, undertook the task of envisioning property relationships under socialism. In the days of the utopian socialists, he declares, socialists were tempted to exaggerate the influence of the ideal, ''to expect everything from a sudden, impossible change in men's hearts.'' [51] Conditions in the eighties, however, are entirely reversed. ''Nowadays we are tempted to undervalue the ideal—to forget that even the Time spirit itself is only the sum of individual strivings and aspirations, and that again and again in history changes which might have been delayed for centuries or might never have come at all, have been brought about by the persistent preaching

[50] *Ibid.*, p. 116. [51] *Ibid.*, p. 120.

of some new and higher life, the offspring not of circumstance, but of hope."

Problems of Associated Production and Consumption.—In describing the socialist ideal, he declared that, in substance, socialists "work for the ownership of the means of production by the community, and the means of consumption by individuals." That generalization, however, does not prevent the community, at its will, from using property for direct consumption, as when a piece of common land is used for a public park, or when the profits from a municipal water-works are applied to the upkeep of a municipal library. Nor would socialists prevent an individual from working on his possessions in such a way as to make them more valuable. "But men are as yet more fit for association in production, with a just distribution of rewards, than for association in the consumption of the wealth produced." [52] It is true indeed that the economies of associated consumption promise to be quite as great as those of associated production; and it was of these that the earlier socialists mainly thought. "But experiments have since proved that, in spite of the economies of associated consumption, any complete scheme of such is distasteful to most men as they are.

"Our picture galleries, parks, workmen's clubs, or the fact that rich men are beginning to live in flats looked after by a common staff of servants," Wallas continues, "do indeed show that associated consumption is every year better understood and enjoyed; but it remains true that pleasures, chosen by the will of the majority, are often not recognized as pleasures at all. . . . Each family now insists on having a separate home, and on cooking every day a separate series of meals in a separate kitchen. Waste and discomfort are the inevitable result; but families at present prefer waste and discomfort to that abundance which can only be bought by organization and publicity." [53] It is true that the land on which houses are built could immediately become the property of the state, but people would "certainly insist on having their own crockery and chairs,

[52] *Ibid.*, p. 121.

[53] *Ibid.*, pp. 121-2.

books and pictures, and on receiving a certain proportion of the value they produce in the form of a yearly or weekly income to be spent or saved as they pleased."

National and Local Ownership.—There would remain to be owned by the community the land in the widest sense of the word, and the materials for those forms of production, distribution, and consumption, which can conveniently be carried on by associations wider than the family group. In the case of the principal means of production and distribution, where the larger the area covered, the more efficient the management, ownership would reside in the nation, as in the case of the postal and railway industries and probably others of the larger industries. Ultimately, perhaps, such ownership would be transferred to a federation of nations.

On the other hand, land might often better be held by smaller social groups. At the same time those forms of natural wealth which are considered necessary by the whole nation, including the monopolies of certain districts, such as mines, harbors, or sources of water supplies, should be nationalized. Even where land was owned by local bodies, those bodies should contribute to the national exchequer some proportion of the income. Voluntary associations should persist, as in the editing of journals of opinion, but perpetual rights should not be given to any association not co-extensive with the community.

Mr. Wallas endeavored likewise to present solutions for various other problems that would arise under a socialist society.

Industry and Incentives under Socialism. — Annie Besant, since famous as the advocate of Indian reform, discusses the problem of industry under socialism. Among the most interesting portions of her discussion is that which deals with future incentives. The first general stimulus to labor under socialism, she maintains, is the starvation which follows the cessation of labor. Generally men will prefer short and well paid work to starvation. "The individual shirker will be dealt with much as he is today: he will be warned, and, if he prove incorrigibly idle, discharged

from the communal employ. The vast majority of men now seek to retain their employment by a reasonable discharge of their duty: why should they not do the same when the employment is on easier conditions? The next stimulus would be the appetite of the worker for the result of the communal toil, and the determination of his fellow-workers to make him take his fair share of the work of producing it. . . . If there is one vice more certain than another to be unpopular in a socialistic community, it is laziness. The man who shirked would find his mates making his position intolerable, even before he suffered the doom of expulsion."[54]

Reasons for the Gold Hunger Under Capitalism.—But there would be more compelling motives for doing one's best than the negative motive of fear. "Under our present social system, the struggle for riches assumes an abnormal and artificial development; riches mean nearly all that makes life worth having, security against starvation, gratification of taste, enjoyment of pleasant and cultured society, superiority to many temptations, self-respect, comfort, knowledge, freedom, as far as these things are attainable under existing conditions. In a society where poverty means social discredit, where misfortune is treated as a crime, where the prison of the workhouse is a guerdon of failure, and the bitter carking harassment of daily wants unmet by daily supply is ever hanging over the head of each worker, what wonder that money seems the only thing needful, and that every other thought is lost in the frenzied rush to escape all that is summed up in the word poverty?

Non-Profit Incentives.—"But this abnormal development of the gold hunger would disappear upon the certainty for each of the means of subsistence. Let each individual feel absolutely secure of subsistence, let every anxiety as to material wants of his future be swept away; and the longing for wealth will lose its leverage. The daily bread being certain, the tyranny of pecuniary gain will be broken; and life will begin to be used in living and

[54] *Ibid.*, pp. 151-2.

not in struggling for the chance to live. Then will come to the front all those multifarious motives which are at work in the complex human organisms even now, and which will assume their proper importance when the basis of the physical life is assured.

"*The desire to excel, the joy in creative work, the longing to improve, the eagerness to win social approval, the instinct of benevolence; all these will start into full life, and will serve at once as the stimulus to labor and the reward of excellence.*

"It is instructive to notice that these very forces may already be seen at work in every case in which subsistence is secured, and they alone supply the stimulus to action. The soldier's subsistence is certain and does not depend on his exertions. At once he becomes susceptible to appeals to his patriotism, to his *esprit de corps,* to the honor of his flag; he will dare anything for glory, and value a bit of bronze, which is the 'reward of valor,' far more than a hundred times its weight in gold. Yet many of the private soldiers come from the worst in the population; and military glory and success in murder are but poor objects to aim at.

"If so much can be done under circumstances so unpromising, what may we not hope from nobler aspirations? Or take the eagerness, self-denial, and strenuous effort, thrown by young men into their own games! The desire to be captain of the Oxford eleven, stroke of the Cambridge boat, victor in the foot-race or the leaping, in a word, the desire to excel, is strong enough to compel the exertions which often ruin physical health."[55] (Italics ours.)

The Fabian Outlook

The Fabian Essays close with a summarizing chapter or "Outlook" by Hubert Bland. Bland, expressing the sentiments of most of the Fabians, sees no hope in revolution by physical force. "The physical force man, like the privi-

[55] *Ibid.,* pp. 152-3.

leged tory, has failed to take note of the flux of things, and to recognize the change brought about by the ballot. Under the lodger franchise the barricade is the last resort of a small and desperate minority, a frank confession of despair, a reduction to absurdity of the whole socialist case.'' [56]

Assume that the process towards trustification goes on. Changes must follow in the political field. The extension of the suffrage has done more than make the working class articulate. It has given them consciousness. They will henceforth be heard clamoring for relief. Thus the coming struggle between the ''haves'' and the ''have nots'' will be a struggle of political parties, each conscious of the goal and the life and death character of the struggle. Political progress has, however, generally lagged far behind economic progress. We must therefore not be surprised if the progress in the future has no proper relation to the rate at which we are traveling toward socialism in the spheres of thought and industry.

Principalities Fighting on Side of Socialism.—Nevertheless ''those who resist socialism fight against principalities and powers in economic places. . . . The continuous perfecting of the organization of labor will hourly quicken in the worker the consciousness that his is a collective and not an individual life. . . . The intensifying of the struggle for existence, while it sets bourgeois at the throat of bourgeois, is forcing union and solidarity upon the workers. And the bourgeois ranks themselves are dwindling. The keenness of competition, making it every year more obviously impossible for those who are born without capital ever to achieve it, will deprive the capitalist class of the support it now receives from educated and cultivated but impecunious young men whose material interests must ultimately triumph over their class sympathies. . . . Inquiry proves that socialism is built upon a triple rock, historical, ethical, and economic. . . . By the light of the socialist ideal he sees the evil—yet sees it pass. Then and now he begins to live in the cleaner, braver,

[56] *Ibid.*, p. 185.

holier life of the future; and he marches forward, steeled and stimulated, with resolute step, with steadfast eye, with equal pulse.''

Summary.—Thus the Fabians of the eighties concluded their survey of economic trends toward a cooperative commonwealth, and their picture—based on developing tendencies—of the socialist society. With the Marxians they saw socialism coming as a result of great economic and social forces. As has been elsewhere brought out, they had more faith than did the early Marxians in gradual, peaceful progress, following from the steady extension of the functions of the state, more effective political action, the development of education and the arousing of the moral forces of the community. They had little faith in a violent revolution as a result of cataclysmic changes. They emphasized in economic theory the iniquities following from the private appropriation of economic rent rather than from surplus value. They sought to inspire devotion to the cause by visualizing the possibilities of associated production, while avoiding the impossible imaginings of the utopians. On the other hand, having as their chief objective the conversion of the middle class, they failed to arouse the worker as the Marxians aroused him, by a clarion call to action through emphasis on the class struggle. On the whole, however, they made an important contribution to socialist thinking not only in England, but throughout the world.

Thirty Years After

In the 1920 edition of the Fabian Essays, Webb attempted to trace the changes in thought within the Fabian Society since the publication of the first edition, a generation before. The economics of the Essays, he maintained, were essentially sound. The historical portion, however, was more vulnerable.

Neglected Trade Union Movement.—Referring to the omissions in the first formulation of Fabian thought, Webb declared that the early Fabians did not realize the importance of the trade union movement.

"We evidently," writes Webb, "attached quite insufficient importance to trade unionism, which the book never mentions as a political force, or as constituting any essential part of the social structure. It is clear that we had little notion, in 1889, of the enduring value and indispensable social function of vocational organization of any sort; and we had no anticipation that it was to be, as is nowadays commonly accepted, a permanent part of social organization, destined, in the state of tomorrow, for important public functions. We very soon set about remedying this particular gap in our knowledge; and the publication, in 1894, of the *History of Trade Unionism,* and, at the end of 1897, of the comprehensive analysis of the whole structure and function of the workmen's organizations, entitled *Industrial Democracy,* effectively brought the trade union movement into our common consciousness. We may perhaps say that it did more than this. It laid the foundation for, and possibly contributed to promote, in a younger generation, the whole series of studies of different aspects of vocational organization, and its place in the society of the future, which, whatever we may think of their elaboration into what is called guild socialism, constitute, perhaps, the most important addition that this century has yet made to socialist thought." [57]

Underestimated Cooperative Movement.—"We were similarly unappreciative of the cooperative movement," continues Webb. "We did not recognize in the working class cooperative store any part of the social structure of the future. Hence we did not, in our constructive forecasts, make any use of the very important discoveries in practical organization that the cooperators had, from 1844 onward, stumbled upon; we did not realize the extent to which these would render practicable the social advantage of producing, not in the mere anticipation of profit but in order to satisfy an ascertained demand; and how they would demonstrate the success, in the extensive business of household supplies, of the supercession of the profit

[57] This and the following quotations are from the Introduction to 1920 Edition of *Fabian Essays,* published by the Fabian Society.

making capitalist by an essentially collectivist organization. Our omission was made good by the publication, in 1890, of *the Cooperative Movement in Great Britain,* by one who presently joined our group." [Beatrice Potter, afterwards Beatrice Potter Webb.]

Importance of Municipal Socialism.—Webb furthermore declares that, at the date of the writing of the essays, the Fabian group did not realize what an extensive sphere must necessarily be assigned, in any highly organized and populated community, to municipal socialism, and the important part to be played in the socialist state by its various democratically organized and practically autonomous local governing bodies. Later the group "came very vividly to appreciate the significance of their manifold functions in ridding us from the hypothetical tyranny of a single national employer, inevitably 'bureaucratic' in character, no less than from the incubus of an all-pervading uniformity of social life. In the State of Tomorrow, as we realized, those who did not like the arrangements of Hampstead would always be able to move to Highgate and live under a different local government. We accordingly saw our way to a vast increase in the consciousness of personal freedom, a vista of endless diversity, the practical opportunity for an indefinitely varied development of human personality, under the most complete and all embracing collectivism. We threw ourselves with energy into the study and the propaganda of 'municipal socialism,' the steady increase of which has resulted not merely in greatly widening the available experience of collectivism, and in placing, by 1919, of literally thousands of members of the Labor party on local governing bodies, but also in considerably filling out the visions of the organization of the socialist state."

Inadequate Concept of Unemployment Solution.—The Fabian writers of the eighties, Webb continues, were better informed concerning the national government, although they were very vague and general in regard to practical proposals for nationalization. They were wholly speculative regarding the future of agriculture. They understood

little about ways and means of grappling with the problem of unemployment. They "erred, in common not only with other socialists, but also with the ordinary economists and politicians, in assuming that recurrent periods of widespread unemployment could not in practice be prevented under any system short of a completely organized collectivism," and they were speculating about the organization of the unemployed as such. They failed to realize that under socialism, as under the present system, provision should be made for the nurture and maintenance of the "non-effectives" in society.

The Fabian International Position.—"A more general shortcoming, affecting both structure and function, was our failure 'to think internationally.' With the partial exception of William Clarke, we had none of us given attention either to the continental socialist movements, or to international relations. . . . Except for our studies of Proudhon, Lassalle and Karl Marx, and some slight personal acquaintance with socialist exiles in London, we knew practically nothing of what was happening in the socialist world outside of our country. But here, too, we quickly improved our qualifications. The Fabian Society was represented at the next International Socialist Congress at Brussels in 1891, and has ever since taken its share in international relations. But we had our own view of internationalism. We had little sympathy with the ideal of a universal cosmopolitanism which some socialists and many liberals more or less consciously cherished, as an exaggeration, if not a perversion, of the teachings of Mazzini on the one hand, and Cobden on the other. What we aimed at was, literally, an organized 'inter-nationalism,' in which national characteristics among the manual-working wage earners no less than among governments, far from becoming obliterated or straightened out with a mechanical uniformity, would be not only separately developed, but also differentiated even further than at present. We counted on each racial group or national state pursuing its own evolution, and shaping its own destiny, uninterrupted in its

own way, intensifying thereby its characteristic faculties, and thus increasing the special services that it could render the world; in order to enrich the common future, not only by exchange but actually by the continuous increase of a desirable variety in qualities and achievements, even in such secondary matters as costume and language. We held that, whilst profiting to the utmost by what we could learn from each other, and without imagining or seeking a superiority which it is between combinations of qualitative differences, always impossible to measure, it behooves the British to be as good Britons as they can possibly make themselves and the Frenchmen as good Frenchmen. This, at any rate, was the synthesis between patriotism and internationalism that we evolved for ourselves; and to these tenaciously we held; yielding neither to 'imperialism' on the one hand, nor to 'Little Englandism' on the other; and seeking always to replace the ignorant pride of preeminence of race or dominance of Empire by a recognition, among all states and peoples—to use a phrase of John Stuart Mill—of 'that best kind of equality, reciprocal superiority'; always prompt to recognize and acknowledge, for the common service of all, every feature in which any race differs from, and thereby in that particular excels another, even if that be our own!''

The Psychology of Freedom.—The early Fabians, Webb declares, made a mistake in not giving enough thought to the conditions of a ''generally diffused consciousness of social freedom.'' ''We did not allow for the psychological fact that no man is free who does not think himself free; and that no one is benefiting by the responsibilities of governing unless he is aware that he is governing. . . . And whilst we were strong on liberty and fraternity, as essentials of democracy, we were apt to forget equality, as a no less indispensable element in socialism. We presently acquired something of what we lacked from our nearer acquaintance with cooperation, municipal government, and, above all, trade unionism, but much had to be learned from the studies subsequently made in what may be called social psychology, to which some of us contributed.''

The Policy of Permeation.—Taking up the Fabian Society's policy of "permeation," Webb declares that the society believes with all its might in that policy—that is to say, the policy of inculcating "socialist thought and socialist projects into the minds not merely of complete converts, but of those whom we found in disagreement with us—and we spared no pains in these propagandist efforts, not among political liberals or radicals only, but also among political conservatives; not only among trade unionists and cooperators but also among employers and financiers. I do not suppose that, nowadays, any one would question that this was a powerful and successful propaganda at a period when no other form of political action was open to us."

Favored Independent Political Action.—However, adds Webb, the Fabian Society at the same time realized that "not much progress could be made toward socialism without the formation, and the entry into British politics, of a definitely Socialist party putting itself in oppostion to both the Liberal and Conservative parties. . . . We were . . . striving persistently to get on foot an independent political party, which would hold socialist views and adopt a definitely socialist program. We recognized—as events have proved, accurately—that for such a party, in this country in this generation, the only practicable basis was the wage-earning class, and the only available machinery was the trade union organization." The Fabians gladly took part in the formation of the Independent Labor party in 1893, and participated in the first meeting of the Labor Representation Committee, the predecessor of the British Labor party. The program of this party adopted in 1918 corresponds closely with the ideals held aloft by the Fabian writers thirty years before.

Following the Fabian contribution of the eighties to socialist thought, let us next turn to the revisionists of Germany, who possess many similarities to the British Fabians.

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CHAPTER XIX

GERMAN SOCIAL DEMOCRACY AND FERDINAND LASSALLE

The scene shifts from Great Britain, where we have been surveying Fabian socialism, to Germany, and from the Fabian school of socialist thought—if the Fabians can be regarded as having developed a separate school of thought—to revisionism.

Before, however, discussing the revisionists, who, as their name implies, are bent on the revision of the Marxian philosophy, we might briefly glance at the socialist movement in Germany, as it developed up to the early nineties, when the revisionist movement made its appearance.

Emergence of Socialism in Germany.—The German socialistic movement had its beginnings during the revolutionary days of 1848. Although King Frederick IV failed to redeem the promises he made when his throne seemed about to totter, the general agitation of 1848–1850 gave a tremendous impetus to the democratic movement. "Socialism," writes W. H. Dawson,[1] "emerged from the convulsions and the ferment of these years as a fresh goal of popular aspirations. It was socialism which remained after the earthquake, the tempest, and the fire had passed away."

Restrictive Legislation.—As a result of these agitations, the working classes began to feel for the first time that they had some place in the constitutional system of the country. Workingmen's associations of various kinds came into being. Such organizations greatly worried many in the upper classes and there soon followed a flood of restrictive legislation. In 1851 several of the states passed laws for the expulsion of political suspects and for the elimination of workers' groups. One of the resolutions passed by the

[1] *German Social Democracy and Ferdinand Lassalle*, p. 33.

Diet in July, 1854, read: "In the interest of the common safety all Federal Governments should undertake further to dissolve, within two months, the workingmen's associations and fraternities existing in their territories which pursue political, socialistic or communistic purposes, and to forbid the resuscitation of such organizations under penalty."[2]

The stringent Press Law passed that year made it necessary to obtain a special personal license before one could become a printer, and most democratic papers through the application of this law were driven to extremities. The right to hold public meetings was likewise greatly restricted. A report to a Federal Diet soon thereafter maintained that Frankfort, the seat of the revolutionary element, had been delivered from the hands of the democracy, whose literature was no longer on sale. Certainly the movement disappeared temporarily from the surface.

The Cooperative Movement.—During the next few years the chief manifestation of liberalism in Germany was the moderate cooperative movement of Schulze-Delitzsch which aimed to inculcate in the working class the doctrine of "self-help" as opposed to "state help." The movement gained headway, organized cooperative associations to assist merchants to secure raw material and developed loan associations. It appealed primarily to small tradesmen and members of the artisan class, but had little effect on the workers. In 1860, it reached its high water mark with an estimated membership of 200,000, and a business of nearly $30,000,000.

German Political Parties.—In 1860 the most important political parties in Germany were the Conservatives and the National-Liberals. The Conservative party, known as the Great German Party, desired retention of Austria in the Federal system. The National-Liberal party, which, it is interesting to note, refused to admit workers as regular members, wanted Austria excluded. It represented the middle and upper classes. The Democrats had little effective organization. In 1861, a Progressist party was

[2] Dawson, *op. cit.*, p. 134.

formed to represent a more liberal policy. It soon became a strong and vigorous organization and in 1862 it controlled most of the large cities of Germany.

The Workingmen's Association.—About that time a Leipzig Workingmen's Association appointed a committee to take steps for the establishment of labor associations in all parts of Germany.

The first meeting was held in Berlin in October, 1862. The proceedings of the meeting revealed great confusion of aim among the delegates. Some favored a non-political platform. Others desired to make the association a mere appendage of the Progressist party.

In the midst of this chaos of thought came Ferdinand Lassalle, one of the most brilliant and picturesque figures in the entire socialist movement.

Ferdinand Lassalle.—Born in Breslau in 1825, son of a wealthy wholesale merchant, Lassalle specialized in philology and philosophy at the universities of Breslau and Berlin. His career at the university was exceptionally brilliant. Wilhelm von Humboldt, one of the great men of that time, called him "Das Wunderkind," "The Miraculous Child."[3]

Following Lassalle's university career, he became acquainted with the poet Heine, and interested himself in the question of an inheritance that was troubling the poet. Heine became a close friend of Lassalle, and in a letter of

[3] Lassalle at an early age showed a keen interest in public affairs. At fifteen he wrote in his diary: "Two opposed principles struggle within me for the mastery. Is expediency or honesty to guide my life? Shall I spread my cloak to the breeze, flatter the great, intrigue to gain advantage and reputation, or shall I cling to truth and virtue with republican obstinacy, and fix my gaze upon one sole object—to deal a death-blow to aristocracy? . . . I will proclaim freedom to the nations, though I shall die in the attempt." (Brandes, George, *Ferdinand Lassalle*, p. 14.) His father for a while opposed his democratic idealism. "My son," he wrote, "I am well aware of the truth of your words, but why should you, of all people, become a martyr? You, our only hope and support? Freedom must be gained by struggle, but it will be gained even without your help." Lassalle replied in his diary: "If every one said as much and withdrew with like cowardice, when would a warrior be forthcoming?" He declared that he would not deceive God in the use of his strength which should be used for definite ends.

FERDINAND LASSALLE (1825-1864)

introduction, wrote: "My friend, Herr Lassalle . . . is a young man of the most distinguished intellectual powers. To the most thorough scholarship, the widest knowledge and the greatest penetration that I have ever known, he adds the fullest endowment of imaginative powers, an energy of will and a dexterity of action which simply astonish me." (Brandes, *op. cit.*, p. 20.)

Lassalle's first book was *The Philosophy of Heraclitus and Obscure.* His second book, *The System of Acquired Rights,* published in 1861, was pronounced by the jurist, Savigny, the ablest legal treatise written since the sixteenth century.

His remarkable championship of the Countess von Hatzfeldt, the mistreated wife of a brutal husband, in a trial for separation and alimony, lasted from 1846 to 1854, and his victory over the Count after arguing the case before 36 tribunals, made him a unique figure in public life. The trial was undoubtedly one of the most dramatic and picturesque episodes in modern legal history.[4]

[4] Countess von Hatzfeldt married, at the early age of fifteen, her cousin, Count Edmund von Hatzfeldt, the richest member of the powerful Hatzfeldt family, who possessed all the privileges of the high Prussian nobility. He ill-treated her from the outset, confined her in his castles on the Rhine, secretly abducted her children and deprived her of the means of existence, while he squandered his patrimony in debauchery. The Countess had no parents, and her relations, who held high official posts, were anxious to avoid a scandal. Only one course appeared to be open—an appeal to the law. About this time Lassalle was introduced to the Countess. The handsome bearing of the young man, and his unusually beautiful dark eyes made a very favorable impression on her. Angered at the story of her ill-treatment, he challenged the Count, but the high-born Junker laughed in the face of the "silly Jewish boy." Then it was that Lassalle seriously resolved to undertake the cause of the Countess. He knew nothing of law, but nothing could restrain him. He brought the case of the Countess before thirty-six courts from 1845 to 1854. Before the revolution of 1848, decisions in his favor were, on the whole, favorable. When the counter-revolution was triumphant, hardly a week passed in which some one of the large number of cases he set on foot was not lost. At length, in August, 1854, his opponent, the Count, was exhausted, his strength was broken, and Lassalle dictated terms of peace under conditions most humiliating to the Count. Lassalle secured for the Countess a princely settlement. He had shared with her during the trial his small allowance from his parents, but stipulated that, should he be successful,

During these years he showed a keen interest in revolutionary movements. In 1848, he became acquainted with Marx, and contributed to a paper edited by him. The following year he was arrested, accused of urging the people to armed resistance against the autocratic Prussian state, and sentenced to six months' imprisonment.

He dropped out of public life during the fifties, devoting himself to philosophic and literary studies, and, in the beginning of the fifties, to the trial of the Countess.

Lays Foundation for Labor Party.—He joined the Progressist party for a while, but soon left, declaring that the party lacked both courage and enterprise.

In 1862, he was asked to address a Berlin Liberal Club. He accepted and chose as his subject, "The Nature of Constitutions." He declared that constitutions were based on power and that if the Progressists wished to defeat the reactionary Prussian monarch and government with its medieval constitution they must not rely merely on arguments setting forth the injustice of the present situation. They must act. The printed address was confiscated by the police, but no action was taken against its author. This speech led to an invitation to address an artisan's association in Berlin, April 12, 1862, a date sometimes referred to as "the birthday of the German Social Democracy." The talk before this group, published afterwards as the "Workers' Program," had in it a number of elements found in the *Communist Manifesto*. Its economic view of history and its conception of the proletariat as the class that would dominate in the future were pure Marxism.

However, Lassalle departed from Marx in his insistence that the true function of the state was "to help the development of the human race towards freedom." Such a state could be attained, he asserted, only through rule by the majority, based on universal and equal suffrage. The growth of the factory system had made the workers potentially the most powerful force in the state. The next necessary step was to make them legally the most powerful by

he should secure a definite yearly income of 4000 thalers. Henceforward he was relieved from anxiety concerning his daily wants.

instituting complete democracy. The next revolution was that which would place the proletariat in power. This would mean a victory for all mankind.

The publication of this address led to Lassalle's arrest for "exciting the non-possessing classes to hatred and contempt of the possessing classes."

The Leipzig Workingmen's Association, followers of Schulze-Delitzsch, formerly referred to, was the next group to invite Lassalle to appear before it. Lassalle accepted this invitation with eagerness and with his reply to them on March 31, 1863, begins the actual socialist agitation leading to the formation of the Social Democratic party of Germany.

He declared that credit unions, cooperative societies, etc., were mere palliatives and did not get below the surface. The kernel of the social problem was found in the "iron economic law," established by Ricardo, namely that "the average wages of labor always remain reduced to the necessary subsistence which is conformable with the prevailing standard of life of a nation, requisite to the prolongation of existence and the propagation of the species." [5]

Workers Must Organize as Producers.—The credit proposals of Schultze, he declared, would hardly be of much benefit to people who were scarcely able to live. Credit and raw material were of value to the small merchants, who possessed some capital, but were a mockery to others. Similarly cooperative societies were of little use to workers who were suffering as producers and not as consumers. "As consumers," he declared, "we are in general all equal already. As before the gendarmes, so also before the sellers, all men are equal—if they only pay" [6]

There is only one solution. The laborer must be his own producer. The working classes must organize with productive organizations, so that they may secure the full value of their toil—and the state must provide the necessary capital.

The path to the organization of these productive societies

[5] *Offenses Antwortschreiben*, p. 13.
[6] See Dawson, *op. cit.*, pp. 139-41.

is an easy one. "The working class must constitute themselves an independent political party and must make universal, equal and direct suffrage their watchword. The representation of the working classes in the legislative bodies of Germany—that alone can satisfy their legitimate interests in a political sense."

The majority of the committee of the workers' association adopted Lassalle's viewpoint. Others were shocked at this position, and the membership was divided into two rival camps, one supporting Lassalle, and one, Schultze.

Workers' Associations Join Movement.—In May, he and Schultze were invited to state their respective positions before the workers' congress in Frankfort-on-Main. Parliamentary duties prevented Schultze from attending. Lassalle, with his eloquence and fire, swept the great majority of his audience before him. Should his point of view be rejected, he told his audience in his final appeal, he would say to Herr Schulze, "You are right—these people are not yet advanced enough to be helped"—and he would stretch himself out in the Gulf of Naples and let the soft breezes of the South blow over him. "I should spare myself a life full of torment, exertion, vexation and worry . . . but you would lose one of the best friends of your class."

After some of his opponents had left the meeting, the vote was taken and showed 400 to 1 in favor of Lassalle.

Universal Workingmen's Association Founded.—Lassalle found himself at the head of the democratic movement and formed the Universal German Workingmen's Association. The statutes of the Association were adopted May 23, 1863. The first section read:

> With the name Universal German Workingmen's Association the undersigned found for the German Federal States an association which, proceeding from the conviction that the adequate representation of the social interests of the German working classes and the real removal of class antagonism in society can alone be secured by universal, equal, and direct suffrage, has as its purpose the acquisition of such suffrage by peaceable and legal means, and particularly by gaining over public opinion.

All German workingmen were eligible to join the association on nominal payments. Agents were appointed throughout Germany.

Defends Universal Suffrage and Producers' Associations.—In justifying his program, Lassalle declared that universal suffrage was necessary, for without this practical way of realizing its claims, "we may be a philosophical school, or a religious sect, but never a political party. Thus, it appears that universal suffrage belongs to our social demands as the handle to the axe." [7]

He did not regard his idea of productive associations as final. He felt, however, that mere abstract principles of economics would fail to touch the masses, and that some tangible, simple, yet fundamental proposition must be placed before them if their imagination was to be captured. A final solution, he declared in his letters to Rodbertus (April 28 and May 26, 1863), might require 500 years for accomplishment, but his proposal was a step in the right direction.

From the formation of the association until his death Lassalle worked ceaselessly and with wonderful effectiveness for the building up of a powerful political party. He set his heart on 100,000 members.

At first the press ignored the movement, though later it was compelled to break its silence. A number of papers finally came to his position, as did many distinguished publicists, and in less than a year Lassalle found himself one of the most talked-about public men in Germany.

Triumphal March.—The next winter was spent in bitter controversies. In the Spring of 1864 Lassalle began his "glorious review of the army," held great gatherings in Cologne and elsewhere and on May 22, reached the climax, when, at Ronsdorf, he was hailed as a great prophet of the workers, deluged with flowers thrown in his pathway by working girls, escorted by a joyful group of workers under triumphal arches and given a wonderful ovation during the delivery of his address. "I had a feeling," he wrote after-

[7] Letter of April 20, 1863.

wards to the Countess, "that such scenes must have been witnessed at the founding of a new religion."

Death of Lassalle.—It was after these ovations that Lassalle, at Rigi, again met Fräulein von Donniges, with whom he had become acquainted in one of the fashionable circles of Berlin. They became greatly devoted to each other and decided to marry. The father of the young woman, a Bavarian diplomat, was indignant, however, when he heard of the proposed match. The girl finally, under questionable pressure, renounced Lassalle in favor of a Wallachian, the Count von Racowitza. Lassalle immediately challenged the successful suitor to a duel. At Carouge, near Geneva, the fateful event took place on August 28, 1864. Lassalle was wounded and died three days later.

Of unbounded energy and brilliancy, Lassalle nevertheless lacked the saving grace of common sense and too easily became diverted by personal passions from the cause he held so dear. He had, however, given much of inspiration to the movement of the workers.

"Until Lassalle entered public life," writes Dawson, "the working classes had been without organization, and had wandered about like sheep without a shepherd. He it was who drew the masses together and formed for the first time a true workingmen's party."[8]

Program of Bebel and Liebknecht.—The membership of Lassalle's party came chiefly from Prussia. At his death it amounted to scarcely more than 5000. The movement was unfortunate in the selection of a successor, selecting one Bernherd Becker, vain and incapable, who made himself ridiculous with his self-imposed title of "President of Mankind." In 1867, after several changes, Schweitzer, able and well educated, was elected president. In the first year of his presidency universal suffrage was granted as far as election of members of the North German Reichstag was concerned. This concession had a profound influence on the whole movement.

Prior to Lassalle's death, other associations had been

[8] Dawson, *op. cit.*, p. 183.

organized among the workers of Saxony and South Germany. These latter groups united at Frankfort in 1863. In general they were for supporting Schulze-Delitszch and opposing Lassalle. While generally regarded as merely progressive in its tendency, this union contained a number of radical spirits. One of these was Wilhelm Liebknecht, descendant of Luther, and raised in a family of education and refinement. Liebknecht had been exiled after the revolutionary outbreak of 1848, and in Paris had been introduced into the circle of Marx and Engels. Of prominence also was August Bebel, a turner by trade, who had drunk the bitter cup of abject poverty and was the incarnation of the spirit of working class revolt.

Under the guidance of these men, the union became more radical in its nature. As early as August, 1866, Liebknecht and Bebel drew up at a Congress of workers at Chemnitz political demands which, in their opinion should constitute the immediate objectives of German labor: the unrestricted right of people to self-government, universal, direct and equal suffrage with the secret ballot, the abolition of the standing army and the substitution of the militia, a sovereign Parliament with power to decide questions of peace and war, the unity of Germany as a democratic state, the abolition of the privileges of position, birth and profession, and legislation tending toward the furtherance of the physical, intellectual and moral improvement of the people.

In the autumn of 1867, Bebel was elected president of the League of Workingmen's Associations. In 1868, the radicals succeeded in persuading the congress to accept the main tenets of the International. In 1869, the League dissolved and the Social Democratic Workingmen's party was formed at Eisenach. The party sent representatives to the International Congress at Basle.

Socialists Secure Parliamentary Representation.—This party and the party of Lassalle had for a time seven representatives in the North German Diet. The tactics of the two parties differed. Schweitzer, the leader of the Lassalle organization, regarded the North German Confederation as

a necessary evil, which the socialists should make the best of. Liebknecht, on the other hand, believed that the Confederation was a reactionary state which spelt the servitude of Germany and that the socialist representatives should further none of the practical legislative measures proposed in the Diet, but should use it merely as a platform from which to proclaim their message to the people-at-large. The Lassalle party was nationalistic in its outlook; the Liebknecht group, international.[9]

Socialist Attitude on Franco-Prussian War.—During the Franco-Prussian War, Liebknecht and Bebel refused to vote for the war loan, objecting as they did to the policies both of Bismarck and Napoleon. Schweitzer and the other socialist representatives, on the other hand, supported the budget, at first on the ground that the success of France would mean the overthrow of the French workmen, the ascendancy of Napoleon and the disintegration of Germany. Following the fall of the Empire, however, the entire socialist delegation refused to vote for a further loan, and urged a speedy peace. They furthermore opposed the annexation of French territory. Many of the leaders at this time were thrown into prison for their peace activities.

In 1871, during the uprisings attending the Commune of Paris, the German socialists held mass meetings in many of the large cities to express their sympathy with the Parisian workers. Bebel, at that time, delivered his memorable speech in the Reichstag. He said:

> Be assured that the entire European proletariat, and all that have a feeling for freedom and independence in their hearts, have their eyes fixed on Paris. And if Paris is for the present crushed, I remind you that the struggle in Paris is only a small affair of outposts, that the main conflict in Europe is still before us, and that ere many decades pass away, the battle-cry of the

[9] Paul Kampffmeyer in *Changes in the Theory and Tactics of the Social Democracy* (Chicago: Kerr), describes at length the various changes in the attitude of the German socialists toward participation in the elections and in parliamentary activity. At first their attitude was a purely negative one, and they urged the use of politics merely for agitational purposes. They finally became convinced that their representatives should do all they could to put legislation on the statute books favorable to the workers.

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AUGUST BEBEL (1840-1913)

Parisian proletariat, war to the palace, peace to the cottage, death to want and idleness, will be the battle-cry of the entire European proletariat.

Gotha Congress of 1875.—Though temporarily weakened by the war, the socialist movement soon regained its former strength, and, in 1874, following speculation and industrial depression, the vote rose to 340,000 (as compared with 102,000 in 1871), while nine socialists were returned to the Reichstag. The resignation of the old leader of the Lassallian group now cleared the way for fusion between the two wings of the socialists. This was effected in 1875 at the Gotha Congress, when the Social Democratic Workingmen's party of Germany, with a membership of 25,000, was formed. As usual, the program was a compromise, and Marx strongly condemned its demand for state-aided productive organizations.

Anti-Socialist Legislation.—By 1877, the socialists boasted of a half million votes and of a dozen members in the Reichstag. This increase alarmed the bureaucracy. Something had to be done to stop its progress. An excuse came. Two unsuccessful assaults had been made in 1878 on the life of the Emperor. Neither assailant had any official connection with the party.

The Emperor immediately demanded anti-socialist legislation. The Reichstag balked, and was thereupon dissolved. Another election was held and a favorable majority thus secured for the Emperor. Bismarck took up the fight against the socialists. He had great sympathy and respect, he declared, for Lassalle, whom he regarded as one of the cleverest and most amiable men he had met. But the speech of Bebel in the Reichstag lauding the Paris Commune had convinced him that the socialists were a dangerous element. Anti-socialist laws resulted, which placed the ban on socialist meetings and the distribution of socialist literature.

For a number of years thereafter free speech was enjoyed only in the Reichstag. It was freely predicted that the end of the socialist movement had come. The socialists, however, soon began to publish in Switzerland, *The Social*

Democrat, edited by Eduard Bernstein. Each week they sent thousands of copies over the border, distributing them in the homes of German workers.

In the meanwhile the socialist vote mounted up. In 1881 it numbered 312,000. In 1890, it amounted to 1,427,000, an increase of 300 per cent. Enormous gains were shown in practically every industrial city and after 1885 considerable headway was noticeable even among the rural population. Evidently suppression was not to be the way to crush socialism. The laws were repealed. In commenting upon the part played by the social democrats during these trying days, Kirkup truly says:

"The struggle had proved the extraordinary vitality of the movement. The social democrats had shown a patience, resolution, discipline . . . which are unexampled in the annals of the labor movement since the beginning of human society. They made a steady and unflinching resistance to the most powerful statesman since the first Napoleon, who wielded all the resources of a great modern state, and who was supported by a press that used every available means to discredit the movement; and, as a party, they had never been provoked to acts of violence. In fact, they had given proof of all the high qualities that fit men and parties to play a great rôle in history." [10]

Bismarck and the "State Socialists."—Bismarck, during the years of suppression, was too wise to confine his activity to mere suppression. He sought to compensate the working class for their loss of liberty by granting moderate social reforms. In 1882 the government introduced two bills providing for accident and sickness insurance. These bills went into effect in 1885. These measures were supplemented, after the accession of Kaiser Wilhelm II, by an old-age insurance law, which provided an annual pension for the worker after he had reached the age of seventy, and before that time in case of incapacity. In undertaking social reform measures Bismarck admitted that he was but renewing the old Brandenburg policy of paternal interest

[10] Kirkup, *History of Socialism,* p. 222.

in the welfare of the people with a view of increasing the power and prosperity of the state.

He was also influenced by the philosophy of the "state socialists," the new school of economists, who maintained that the government should make the employment of the workers more steady, improve their sanitary and moral conditions, restrict the labor of women and children, equalize the distribution of wealth through taxation, nationalize the means of communication and transportation, protect the workers against accidents and sickness, and otherwise aid in improving their lot.

The Erfurt Program.—During the period of the restrictive laws, it was natural that the party should be divided on the question of tactics. The extreme wing demanded militant tactics, and accused the leaders of cowardice for counseling moderation. Following 1890, however, after conferences were again held on German soil, a frank discussion of the situation led to a complete vindication of the tactics of the leaders, Bebel, Liebknecht and Singer.

In 1891, the party reconstructed their program and adopted the Erfurt program, which eliminated all demands for state-aided productive enterprises, and pledged the party to the Marxian program.

The Erfurt program of 1891 was Marxian in its conception. It maintained that the means of production were concentrating in the hands of the few; that an ever increasing number of the population were being hurled into the ranks of the working class; that the lot of these workers was becoming increasingly worse; that the chasm between exploiter and exploited was being widened by the periodic crises that plague capitalist society; that only the transformation of the means of production could solve the social problem and that this transformation could be effected as a result of the international solidarity and organization of the working class. The statement of principles, which recalls the *Communist Manifesto,* is as follows:

> The economic development of the bourgeois society leads by a necessity of nature to the downfall of small production, the basis of which is the private property of the workman in his means

of production. It separates the workman from his means of production, and transforms him into a proletarian without property, whilst the means of production become the monopoly of a comparatively small number of capitalists and great landowners.

This monopolizing of the means of production is accompanied by the supplanting of the scattered small production through the colossal great production, by the development of the tool into the machine, and by gigantic increase of the productivity of human labor. But all advantages of this transformation are monopolized by the capitalists and great landowners. For the proletariat and the sinking intermediate grades—small tradesmen and peasant proprietors—it means increasing insecurity of their existence, increase of misery, of oppression, of servitude, degradation, and exploitation.

Ever greater grows the number of the proletarians, ever larger the army of superfluous workmen, ever wider the chasm between exploiters and exploited, ever bitterer the class struggle between bourgeoisie and proletariat, which divides modern society into two hostile camps, and is the common characteristic of all industrial lands.

The gulf between rich and poor is further widened through the crises which naturally arise out of the capitalistic method of production, which always become more sweeping and destructive, which render the general insecurity the normal condition of society, which prove that the production forces have outgrown the existing society, that private property in the means of production is incompatible with their rational application and full development.

Private property in the instruments of production, which in former times was the means of assuring to the producer the property in his own product, has now become the means of expropriating peasant proprietors, hand-workers, and small dealers, and of placing the non-workers, capitalists, and great landowners in the possession of the product of the workmen. Only the conversion of the capitalistic private property in the means of production—land, mines, raw material, tools, machines, means of communication—into social property, and the transformation of the production of wares into socialistic production, carried on for and through society, can bring it about that the great production and the continually increasing productivity of social labor may become for the hitherto exploited classes, instead of a source of misery and oppression, a source of the highest welfare and of all-sided harmonious development.

This social transformation means the emancipation, not merely of the proletariat, but of the entire human race which suffers under the present conditions. But it can only be the work of the laboring class, because all other classes, in spite of their

mutually conflicting interests, stand on the ground of private property in the means of production, and have as their common aim the maintenance of the bases of the existing society.

The struggle of the working class against capitalistic exploitation is of necessity a political struggle. The working class cannot conduct its economic struggle, and cannot develop its economic organization, without political rights. It cannot effect the change of the means of production into the possession of the collective society without coming into possession of political power.

To shape this struggle of the working class into a conscious and united one, and to point out to it its inevitable goal, this is the task of the Social Democratic party.

In all lands where the capitalistic method of production prevails, the interests of the working classes are alike. With the extension of the world commerce and of the production for the world market, the condition of the workmen of every single land always grows more dependent on the condition of the workmen in other lands. The emancipation of the working class is therefore a task in which the workers of all civilized countries are equally interested. Recognizing this, the Social Democratic party of Germany feels and declares itself at one with the class-conscious workers of all other countries.

The Social Democratic party of Germany therefore contends, not for new class privileges and exclusive rights, but for the abolition of class rule and of classes themselves, and for equal rights and equal duties of all without distinction of sex and descent. Proceeding from these views it struggles in the present society, not only against exploitation and oppression of the wage-workers, but against every class of exploitation and oppression, whether directed against class, party, sex, or race.

Immediate Demands of Social Democrats.—Proceeding from these principles to the immediate demands, the party urged universal, equal and direct suffrage; direct legislation; a people's army in place of a standing army; freedom of speech and the right of free assembly; equality between the sexes; separation of the church from the state; compulsory secular education; free administration of justice; free medical treatment; progressive income and inheritance taxation; abolition of direct taxes and such protective labor legislation as the fixing of an eight-hour normal working day, prohibiting night work and child labor, guaranteeing a rest period of 36 hours a week, legalizing labor combinations, granting equality of remuneration as between indus-

trial and agricultural workers and establishing a system of social insurance, with effective cooperation of the working class in its administration.

The Erfurt Program represented a triumph of the Marxists, led by Liebknecht and Bebel, over the Lassallean group. It reflected the feelings of the Prussian socialists, confronted as they were by the autocratic, militaristic Prussian state, with its undemocratic constitution, its uncompromising opposition to the rights of the workers and its highly organized industrial system.

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CHAPTER XX

EDUARD BERNSTEIN AND REVISIONISM

Opposition of Revisionists.—A gradual opposition developed in Germany to the Marxian point of view. It was the opposition of the revisionists. The center of the opposition was in Southern Germany—in Saxony, Bavaria, etc., where capitalist industry had not developed as rapidly as in Prussia and where the state was more democratic. George von Vollmar, the leader of the Bavarian social democrats, always refused to accept the dogma that capital and land—particularly the latter—were concentrating in fewer and fewer hands. He urged that increasing attention be given by socialists to immediate reforms, and maintained that this was necessary in order to obtain the support of the farming population who would be alienated if the socialists insisted that aid could come to the present proprietors only through the evolutionary process leading to the concentration of farming and to ultimate socialization.

Eduard Bernstein.—The cause of the revisionists was greatly aided by the publication of Bernstein's *Die Voraussetzungen des Socialismus und die Aufgaben der Sozialdemokratie* (translated under the title, *Evolutionary Socialism*) in 1899.[1]

Bernstein was born in Berlin in 1850, the son of a locomotive engineer. He was educated in a German gymnasium, and at the age of sixteen became a clerk in a bank. In 1872 he joined the Social Democratic party and from that time was actively identified with the German socialist paper, *Die Zukunft*.

In 1878, Bernstein gave up his banking position to be-

[1] Eduard Bernstein, *Evolutionary Socialism* (N. Y.: B. W. Huebsch, 1909).

come private secretary to the well-to-do secretary of *Die Zukunft,* Karl Hochberg. In that year, the year of the anti-socialist Act, he left Germany, and was an exile from that country for the next twenty-odd years. Until 1888, he acted as editor of the Zurich edition of the *Social Democrat,* which, despite the stringent laws, was distributed widely and regularly in the cities of Germany. The German authorities eventually brought pressure to bear on the Swiss government to deport Bernstein, and, in 1888, he left for London, where he served as London correspondent of the Berlin *Vorwaerts,* and as an historian and theorist of the socialist movement.

While in England, Bernstein came into close contact with the British socialist movement, although taking no active part therein. For years he was a close and loyal friend of Friedrich Engels and spent many an evening at the latter's London home. Indeed, his friendship for Engels deterred him for some years from giving publicity to his criticisms of the Marxian economic structure.[2] He also knew intimately the leaders of the Fabian Society, and their point of view must have greatly influenced his writings.[3]

As Marx elaborated his theories during his residence in London, so it was in London that Bernstein wrote his criticisms of Marxism. These criticisms appeared in a series of articles, among others, in the *Neue Zeit* during the late nineties, and led to a vigorous controversy within the German party. Later he set forth his views in a letter to the Convention of the Social Democratic party meeting at Stuttgart in October, 1898. This letter was followed a few months later by his book, *Voraussetzungen des Socialismus.* The Hanover Congress of 1899 spent more than three days discussing the conclusions reached in this book, passing a resolution at the end indicating their dissent from these views.

When Bernstein again returned to Germany about the year 1900, he became the leader of the school of thought known as revisionism, which, despite the official opposition

[2] See Eduard Bernstein, *My Years of Exile,* esp. Chs. IX, X.
[3] Pease, *History of the Fabian Society,* p. 239.

of the Social Democratic party, gained a large following among the younger men.

From 1900 until the outbreak of the World War the controversy between the revisionists and the Marxists, the latter led by Karl Kautsky, received much attention in the socialist press.

Main Contentions of Revisionists.—Bernstein's contentions, as set forth in a letter written in October, 1898, to the Social Democratic party, meeting in Stuttgart, were in brief as follows:

1. *The collapse of the capitalist system is not imminent.* It is therefore a mistake for the party to adopt tactics which presuppose the immediate development of a great, social catastrophe.

2. The theory of social evolution set forth in the *Communist Manifesto* was correct insofar as it characterized the *general tendencies* of that evolution. However, it was incorrect in its estimate of the *time* the evolution would take. Friedrich Engels unreservedly acknowledged this in his preface to the *Class War in France.*

3. *Social conditions have not developed to so acute an opposition in classes* as was depicted in the *Manifesto.* "The enoromus increase of social wealth is not accompanied by a decreasing number of large capitalists, but by an increasing number of capitalists of all degrees. *The middle classes* change their character but they *do not disappear from the social scale.*"[4]

4. *The concentration of productive industry is not being accomplished even today in all its departments with equal thoroughness and at an equal rate.* In a great many branches, the forecasts of the Marxists have been justified. In agriculture, however, concentration proceeds more slowly. There exists today an extraordinarily elaborated graduation of enterprises in this respect.

5. Under the pressure of the working class movement, a *social reaction has set in against the exploiting tendencies of capital.* "Factory legislation, the democratizing of local government, and the extension of its area of work, the free-

[4] Bernstein, *Evolutionary Socialism,* p. xi.

ing of trade unions and systems of cooperative trading from legal restrictions, the consideration of standard conditions of labor in the work undertaken by public authorities—all these characterize this phase of the evolution. But the more the political organization of modern nations is democratized the more the needs and opportunities of great political catastrophies are diminished.'' [5]

Is the conquest of political power by the proletariat simply to be by a political catastrophe? Marx and Engels in 1872, in the preface to the new edition of the *Communist Manifesto,* announced that the Paris Commune had exhibited a proof that ''the working classes cannot simply take possession of the ready-made state machinery and set it in motion for their own aims;'' while Engels in 1895 declared that the time of ''revolutions of small conscious minorites at the head of unconscious masses'' was at an end. And yet Engels, even in 1895, overestimated the rate of the process of evolution.

6. *A greater security for lasting success lies in a steady advance rather than in the possibilities offered by a catastrophic crash.*

Holding these views, Bernstein laid the greatest value ''*on the next tasks in social democracy,* on the struggle for the political rights of the working man, on the political activity of the working men in town and country for the interests of their class, as well as on the work of the industrial organization of the workers.'' [6]

In that sense, Bernstein maintained, *the movement meant everything,* the final aim of socialism, nothing. He could not express indifference concerning the final carrying out of socialist principles, but only indifference—or better, carelessness—''as to the form of the final arrangements of things. I have at no time had an excessive interest in the future, beyond general principles; I have not been able to read to the end any picture of the future. My thoughts and efforts are concerned with the duties of the present and the nearest future, and I only busy myself with the perspectives beyond as far as they give me a line of con-

[5] *Ibid.,* p. xii. [6] *Ibid.,* p. xv.

duct for suitable action now. . . . The conquest of political power necessitates the possession of political *rights;* and the most important problem of tactics which German social democracy has at the present time to solve appears to me to be to devise the best ways for the extension of the political and economic rights of the German working class.[7]

"Unable to believe in finalities at all," he continues, "I cannot believe in a final aim of socialism. But *I strongly believe in the socialist movement, in the march forward of the working classes, who step by step must work out their emancipation by changing society from the domain of a commercial landholding oligarchy to a real democracy which in all its departments is guided by the interests of those who work and create.*"[8]

Bernstein's Critique of the Economic Interpretation of History.—Bernstein then proceeds to take up in greater detail the fundamental concepts of Marxian socialism. First of all, he deals with the materialist conception of history, or, as it has been more generally referred to of late, the economic interpretation of history. This interpretation he does not deny. He merely objects to the narrowness of the theory as originally set forth by Marx and Engels and calls attention to the statements contained in their later writings that other factors besides the economic factor must be taken into account in explaining past history and in forecasting future developments.

"He who today employs the materialist conception of history," the author contends, "is bound to employ it in its most developed form—that is, he is bound, in addition to the development and influence of the productive forces and conditions of production, to make full allowance for the ideas of law and morals, the historic and religious traditions of every epoch, the influences of geographical and other circumstances of nature—to which also the nature of man and his spiritual disposition belong. This must be kept quite particularly in view when it is a question no longer of simple research into earlier epochs of history, but of foretelling coming developments, if the materialist con-

[7] *Ibid.*, pp. xv-xvi.

[8] *Ibid.*, pp. xxii-xxiii.

ception of history is to be of use as a guide to the future. The purely economic causes create, first of all, only a disposition for the creation of certain ideas, but how these then arise and spread and what form they take, depend on the cooperation of a whole series of influences.''[9]

Moreover, with the progress of society, non-economic factors, Bernstein argues, tend to become increasingly important in determining future changes. ''Modern society is much richer than earlier societies in ideologics which are not determined by economics and by nature working as an economic force. Sciences, arts, a whole series of social relations are today much less dependent on economics than formerly, or, in order to give no room for misconception, the point of economic development attained today leaves the ideological, and especially the ethical, factors greater space for independent activity than was formerly the case. The fundamental idea of the theory does not hereby lose in uniformity, but the theory itself gains in scientific character.''[10]

It must be admitted, maintains Bernstein, that it is not an easy task to prophecy the future when one acknowledges the influence of other than economic factors, since it is difficult to give proper weight to all of the factors that affect the situation. Nevertheless, one who oversimplifies the situation and concentrates only on the economic factor is bound to prove a false prophet. Bernstein also objects to the use of the phrase ''materialist conception,'' on the ground that the theory is not based upon philosophic materialism.

It is thus seen that Bernstein's criticism of the Marxian theory, known as the economic interpretation of history, is not so much a criticism of the more mature position taken by Marx and Engels, as a criticism of the original statement of their position, which the socialist leaders confess to have been at times too extreme. This criticism cannot, therefore, in any real sense, be regarded as a revision of this foundation stone of Marxian socialism.

Revisionism and the Theory of Value.—The next of the

[9] *Ibid.*, pp. 12, 13.

[10] *Ibid.*, pp. 15-6.

Marxian doctrines to come under the scrutiny of the revisionist leader was the Marxian theory of value and the theory of surplus value. These, Bernstein declares, are general and abstract concepts remote from the actual conditions. His contention is that "the theory of surplus value can only be grasped as a concrete fact by thinking of the whole economy of society. Marx did not succeed in finishing the chapter on the classes that is so important for his theory. In it would have been shown most clearly that labor value is nothing more than a key, an abstract image, like the philosophical atom endowed with a soul—a key which, employed by the master hand of Marx, has led to the exposure and presentation of the mechanism of capitalist economy as this had not been hitherto treated, not so forcibly, logically and clearly. But this key refuses service over and above a certain point, and therefore it has become disastrous to nearly every disciple of Marx." [11]

Furthermore, Bernstein maintains, the theory is misleading, "in that it appears again and again as the measure of the actual exploitation of the worker by the capitalist. . . . The theory of value gives a norm for the justice or injustice of the partition of the product of labor just as little as does the atomic theory for the beauty or ugliness of a piece of sculpture. We meet, indeed, today the best placed workers, members of the 'artistocracy of labor,' just in those trades with a very high rate of surplus value, the most infamously ground-down workers in others with a very low rate.

"A scientific basis for socialism or communism cannot be supported on the fact only that the wage worker does not receive the full value of the product of his work. 'Marx,' says Engels, in the preface to the *Poverty of Philosophy*, 'has never based his communistic demands on this, but on the necessary collapse of the capitalist mode of production which is daily more nearly brought to pass under our eyes.' " [12]

Bernstein also maintains, however, that whether the Marxist theory of value is correct or not is quite immaterial

[11] *Ibid.*, pp. 38-9.

[12] *Ibid.*, p. 39.

to the proof of the existence of surplus value. Surplus value is an empirical fact, demonstrable by experience, and needs no deductive proof. Experience shows that a part of the community enjoys an income, though living in idleness, out of all proportion to the ratio of its number to that of the total number of workers.[13] This fact needs no proof.

Bernstein on Wealth Concentration.—Coming to the distribution of wealth in the modern community, Bernstein asks whether Marx was right in describing the trend of capitalist production as leading to greater centralization of capital, greater concentration of enterprises, an increased rate of exploitation. He answers, Yes and no. It is true as a tendency. The forces are at work in a given direction. "The fall of the profit rate is a fact, the advent of overproduction and crises is a fact, periodic diminution of capital is a fact, the concentration and centralization of industrial capital is a fact, the increase of the rate of surplus value is a fact."[14]

But a number of counteracting tendencies, he declares, are ignored in the Marxian analysis. Unfortunately complete statistics are not available regarding concentration of ownership. But analysis will show that the most modern and crass form of capitalist concentration—the trust—has in fact quite a different effect on the distribution of wealth from what it seems to outsiders to possess.

The average trust is not owned by a few, but by thousands of stockholders. Not all shareholders deserve the name capitalists and often one and the same great capitalist appears in all possible companies as a moderate shareholder. But with all this, the number of shareholders and the average amount of their stockholdings have been of rapid growth. If we analyze the trend in income distribution in Great Britain from 1851 to 1881, for instance, we will discover, if the British *Review* is correct, that, while the population increased by 30 per cent, the number of families in receipt of incomes ranging from 150 pounds to 1000 pounds increased 233⅓ per cent.[15]

[13] *Ibid.*, p. 35. [14] *Ibid.*, p. 42. [15] *Ibid.*, p. 46.

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EDUARD BERNSTEIN (1850-)

After analyzing such statistics of income as were available in France and Germany, Bernstein concludes:

> It is thus quite wrong to assume that the present development of society shows a relative or indeed absolute diminution of the number of the members of the possessing classes. Their number increases both relatively and absolutely.[16]

Actual Changes Not Deterrent to Socialist Progress.—This failure of the middle class to disappear, however, according to the revisionist, does not have a deterrent effect on the movement toward socialism. "If the activity and the prospects of social democracy were dependent upon the decrease of the wealthy, then it might indeed lie down to sleep. But the contrary is the case. The prospects of socialism depend not on the decrease but on the increase of social wealth.

"Socialism, or the social movement of modern times, has already survived many a superstition, it will survive this, that its future depends on the concentration of wealth or, if one will put it thus, on the absorption of surplus value by a diminishing group of capitalist mammoths.

"Whether the social surplus produce is accumulated in the shape of monopoly by 10,000 persons or is shared up in gradual amounts among half a million men makes no difference in principle to the nine or ten million heads of families who are worsted by this transaction. Their struggle for a more just distribution or for an organization which would include a more just distribution is not on that account less justifiable and necessary. On the contrary, it might cost less surplus labor to keep a few thousand privileged persons in sumptuousness than half a million or more in wealth." [17]

Absorption of Surplus Goods.—Bernstein next takes up the question as to what group absorbs the surplus product. Modern industry, he contends, is characterized by a great increase in the productive power of labor. Where have these riches gone? Not primarily to the capitalist class. Even though this class could consume ten times as many

[16] *Ibid.*, p. 48.

[17] *Ibid.*, pp. 48-9.

commodities as they do, "their consumption would only be a feather in the scale against the mass of yearly national product—for one must realize that the capitalist great industry means, above all, production in large quantities." [18]

The argument may be advanced that these goods are exported. This, however, is no answer, for other capitalist countries must pay, in general, for the goods received not in money but in the form of other commodities. We must thus look in other directions for the consumption of surplus goods. Who consumes them? Through a process of elimination, they must either go to the proletarians, or they must be taken up by other classes.

"Crises and unproductive expenses for armies, etc., devour much, but still only a small part of the surplus product. If the working class waits till 'capital' has put the middle classes out of the world it might really have a long nap. 'Capital' would expropriate these classes in one form and then bring them to life in another. It is not 'capital' but the working class itself that has the task of absorbing the parasitic elements of the social body." [19]

Industrial Combinations Not Uniform.—After dealing with the distribution of wealth, Bernstein considers the problem of centralization of industrial establishments. While large industrial establishments have grown to ever greater proportions, he points out the fact that thousands of small and medium sized establishments still survive; that the greatest diversity in size exists and that no class of any size disappears from the scale. After reviewing the situation in Great Britain, Germany, France, Switzerland and the United States, he concludes:

"If the continual improvement of technical methods and centralization of businesses in an increasing number of branches of industry is a fact whose significance scarcely any crazy reactionaries can hide from themselves, it is a no less established fact that in the whole series of branches of industry small and medium sized undertakings appear quite capable of existing beside the large industries. In

[18] *Ibid.*, p. 50. [19] *Ibid.*, pp. 50-1.

industry there is no development according to a pattern that applies equally to one and all its branches.'' [20]

As in industry, so in commerce and agriculture. In fact, in the latter industry there is a distinct standing still or a direct retrogression in regard to the size of holdings. ''There can, then, be no doubt that in the whole of Western Europe, as also in the Eastern States of the United States, the small and medium agricultural holdings are increasing everywhere, and the large and very large holdings are decreasing. There can be no doubt that the medium holdings are often of a pronounced capitalistic type. The concentration of enterprises is not accomplished here in the form of annexing an ever greater portion of land to the farm, as Marx saw in his time, but actually in the form of intensification of the cultivation, changes in cultivation that need more labor in a given area, or in the rearing, etc., of superior cattle.'' [21]

Bernstein's Critique on Industrial Crises.—The fourth question raised by Bernstein is whether the present economic system will inevitably result, as Marx at first believed, in a series of crises ''whose crowning point is the universal crisis.'' [22]

In analyzing this problem, Bernstein first examines what he considers to be the most popular socialist explanation of economic crises, namely that they result from underconsumption. Despite the popularity of this theory, Bernstein points out that both Marx and Engels in their later writings did not regard ''under-consumption'' as the main cause of crises. Engels, for instance, in the third chapter of his treatise against Dühring, while admitting that underconsumption on the part of the masses may ''also be a condition of crises,'' asserted that it explained their pres-

[20] *Ibid.*, p. 59. The smaller industrial units, he asserts, are particularly persistent in wood, leather and metal work, etc., where the home industry offers distinct advantages; in the bakery, the shoe shop, the tailor shop, etc., where the customer demands a certain accessibility to his home and in the production of novelties which have not become popular as yet with the masses.

[21] *Ibid.*, p. 71.

[22] See Preface to the Second edition of *Capital.*

ence at that time just as little as it explained their former absence.[23] "To explain the present stagnation in the sale of cotton yarns and textile fabrics by the *under-consumption* of the English masses and not by the *overproduction* of the English cotton manufacturers," Engels maintained, in dealing with the crisis of 1877, was rather stretching facts to fit a preconceived theory. The theory of under-consumption, he declares in a footnote,[24] originated in the writings of Sismondi, from whom it was borrowed by Rodbertus. "It is pure tautology," wrote Marx about 1878 in the second volume of *Capital,* "to say that crises arise from the want of consumers able to pay. Crises are each time preceded by a period in which the workers' wages rise and the working classes actually receive a relatively greater share than usual of the yearly produce destined for consumption." [25]

In contradistinction, however, to this position, Marx, more than a decade earlier, in the sixties, in the second edition of *Capital,* gives as "the last reason for all social crises the poverty and limitation of consumption of the masses as opposed to the impulse of capitalist production to develop the productive forces, as though only the absolute capacity for consumption of the community formed their limit." In this passage, under-consumption on the part of the masses is emphasized even as opposed to the anarchy of production. To this earlier conception Bernstein voices his objection.

Will Crises Lead to Economic Collapse?—Bernstein next challenges the Marxian thesis that economic crises tend to become ever more violent in their nature, finally ending in the complete collapse of the system. Engels, he declares, goes so far as to maintain that such devices as trusts and combines, for preventing the recurrence of crises, conceal in themselves "the seeds of a more powerful future crisis." The alternative seems to be either "a new world crash of unheard of violence," or a chronic rotation

[23] Bernstein, *op. cit.,* p. 73.
[24] Quoted in *Ibid.,* pp. 73-4.
[25] See *Ibid.,* p. 74.

of crises with a relatively shorter and feebler improvement of trade, and a relatively long, indecisive depression. In answer to this position, Bernstein declares:

"Signs of an economic world-wide crash of unheard-of violence have not been established, nor can one describe the improvement of trade in the intervals between the crises as particularly short-lived. Much more does a third question arise which after all is partly contained already in the second—namely: (1) whether the enormous extension of the world market, in conjunction with the extraordinary shortening of time necessary for the transmission of news and for the transport trade, has so increased the possibilities of adjustment of disturbances; and (2) whether the enormously increased wealth of the European states, in conjunction with the elasticity of the modern credit system and the rise of industrial cartels [or combines], has so limited the reacting force of local and individual disturbances, that, at least for some time, general commercial crises similar to the earlier ones are to be regarded as improbable." [26]

Credit, Speculation and Crises.—Such critics of Bernstein as Rosa Luxemburg argue that the credit system but accelerates foolhardy speculation and crises. In endeavoring to prove her case, she concentrates, however, declares Bernstein, on the destructive, not the constructive, functions of the credit system. Marx realized the mixed character of credit when he spoke of it as "half swindler, half prophet." It is not true that speculation grows greater with the advance of capitalism. The maddest outbursts of speculation come at the dawn of the capitalistic era, "and speculation celebrates its wildest orgies usually in the countries where the capitalistic development is youngest. In the domain of industry speculation flourishes most luxuriantly in new branches of production. The older a branch of production is, under modern forms, with the exception of manufacture of mere articles of fashion—the more does the speculative momentum cease to play a decisive part. The conditions and movements of the market are then more

[26] *Ibid.*, pp. 79-80.

exactly foreseen and are taken into consideration with greater certainty." Increasingly rapid means of communication from one industrial center to another, increasingly close relationships between manufacturers, and the influence of the trusts, all modify the intensity of crises. The failure of a world crisis to materialize, in fact, led Engels, in 1894, to question whether the world was facing a new enlargement of the cycle, and to warn his readers against the abstract deduction that these crises must repeat themselves in the old form.[27]

"There remains," concludes Bernstein, "only so much, that the capacity for production in modern society is much greater than the actual demands for products determined by the buying capacity; that millions live insufficiently housed, insufficiently clad, and insufficiently nourished, in spite of abundant means at hand for sufficient housing, nourishment, and clothing; and that out of this incongruity, overproduction appears again and again in different branches of production, so that either actually certain articles are produced in greater amounts than can be used —for example, more yarn than the present weaving mills can work—or that certain articles are produced not indeed in a greater quantity than can be used, but in a greater quantity than can be bought; that, in consequence of this, great irregularity occurs in the employment of the workers, which makes their situation extremely insecure, weights them down in unworthy dependence, brings forth overwork here and want of work there; and that of the means employed today to counteract the most visible part of this evil, the cartels represent monopolist unions—on the one side against the workers, and, on the other, against the great public."

Bernstein declares that the great danger of trusts is not that they breed more extensive crises, but that they "virtually bear within themselves the possibilities of a new and more hopeless serfdom for the working classes." He concludes:

[27] Note: In questioning the possibilities of the catastrophic crisis, Bernstein, however, excluded from consideration the political crises due to war and threatened war, to widespread failure of crops, etc.

"The problem of crises cannot be solved by a few well-preserved catchwords. We can only investigate what elements of modern economy work in favor of crises and what work against them. It is impossible to prejudge *à priori* the ultimate relation of these forces to one another, or their development. Unless unforeseen external events bring about a general crisis—and as we have said that can happen any day—there is no urgent reason for concluding that such a crisis will come to pass for purely economic reasons. Local and partial depressions are unavoidable; general stagnation is not unavoidable with the present organization and extension of the world market, and particularly with the great extension of the production of articles of food." [28]

It is seen that here Bernstein comes to direct grips with the over-simplified theory of crises propounded by the early scientific socialists, while carrying to their logical conclusion some of the earlier declarations of Marx and Engels. Failing to see a general crisis as the inevitable result of economic forces, his suggested tactics for ushering in the cooperative commonwealth are necessarily different from those advocated by persons who are firmly convinced of the truth of the cataclysmic theory. The possibility of a collapse due to political events, however, Bernstein nowhere denies.

Preliminary Political and Social Conditions for Socialism.—Turning to the question of the industrial and political agencies which are destined to bring about socialism, Bernstein has a number of strictures to make upon the older Marxian concepts. He first analyzes the doctrine that capitalist society has advanced industry from individual to social production and that it is now ripe for social ownership and management. While concentration has taken place in many industries, still there are hundreds of thousands of separate businesses in existence. It would be impossible to socialize all of these industries at once and to run them efficiently.

And if one considers only the larger industries, the task

[28] Bernstein, *op. cit.*, p. 93.

of socialization, he contends, is a colossal one. Should Germany and the individual states wish to take over only the larger industries [this refers to the nineties of the last century], it would be a question, in industry and commerce together, declares Bernstein, of about a hundred thousand businesses with five or six million employes, and, in agriculture, of over 300,000 holdings with over five million workers. "What abundance of judgment, practical knowledge, talent for administration, must a government or a national assembly have at its disposal to be even equal to the supreme management or managing control of such a gigantic organism!" [29]

Conquest of Political Power.—After dealing with the first preliminary condition, the ripeness of industry for socialization, he analyzes the second condition, namely, the conquest of political power by the proletariat. There are still many obstacles in the way of this conquest. It is true that the proletariat is in the majority "if one counts in it all persons without property, all those who have no income from property or from a privileged position." [30] But this group is an extraordinary mixture of different groups, and the difference of occupation, education and social position has prevented any great spirit of solidarity from developing. When we come to the industrial proletariat, we find that they are in a minority. In Germany some 7,000,000 out of 19,000,000, earning incomes at the time of his writing were industrial wage-earners. As far as the agricultural workers are concerned, but a small number of them can look much beyond the immediate amelioration of their economic conditions. "To by far the greatest number of them the socialization of agricultural production cannot be much more than empty words. Their ideal is in the meanwhile to get their own land." [31] Meanwhile the desire of the industrial working classes for socialistic production is for the most part more a matter of assumption than of certainty.

Bernstein adds that the great increase in socialist votes indicates a steadily increasing interest in socialism, al-

[29] *Ibid.*, p. 100. [30] *Ibid.*, p. 103. [31] *Ibid.*, p. 107.

though it cannot be said that all of the votes come from socialists. In case of a socialist victory, he concludes, it can be taken for granted that "there would be no question of an immediate taking over by the state of the total manufacture and distribution of products. The state could not even take over the whole amount of medium and large enterprises." The local authorities too, as connecting links, could not do so very much. They could socialize at most those businesses which produce, or which perform, services locally. As for the large manufacturing and commercial businesses, the communes would either have to leave them in the hands of the former proprietors, "or, if they wanted to expropriate these absolutely, they would be obliged to give them over to associations of workmen on some leasing conditions." [32]

Cooperative Enterprises as a Preliminary to Socialism.—Many of the older socialists, Bernstein continues, put too much faith in productive cooperative enterprises as a preparation for socialism; too little faith in consumers' cooperative undertakings. The history of productive cooperation, he declares, has thus far been a history of failure. The tendency of an association of producers and sellers is to become exclusive and individualistic and to engage in an intense hunt for profits.

Furthermore, hitherto productive cooperatives have split on the rock of control. It is difficult to have an efficient organization where the workers elect their own immediate officers and have the right to remove them. "Where day by day and hour by hour prosaic decisions are to be taken which always give an opportunity for friction, it is simply impossible that the manager should be the employe of those he manages, that he should be dependent for his position on their favor and their bad temper." [33]

On the other hand, as Beatrice Webb brings out, a cooperative association of consumers, as in the Rochdale cooperative movement, tends constantly to broaden out and become more inclusive. The British cooperative movement has become a powerful factor in economic life, and con-

[32] *Ibid.*, p. 108. [33] *Ibid.*, p. 119.

sumers' cooperatives on the continent have grown rapidly.

One of the great problems is the development of agricultural cooperatives which will lead to a cooperative tilling of the land. Cooperative societies for the buying and selling of commodities have succeeded among the farmers, but not for cooperative production. Many difficulties will have to be overcome before the cooperative principle wins out in this line of effort.

Democracy and Socialism.—Bernstein relies on the methods of democracy, rather than on proletarian dictatorship, for the attainment of socialism. Among the democratic forces in the community, he gives a prominent place to the trade unions. They tend to destroy "the absolutism of capital, and to procure for the worker a direct influence in the management of industry. . . . There are socialists in whose eyes the union is only an object lesson to prove the uselessness of any other than political revolutionary action. As a matter of fact, the union today—and in the near future—has very important social tasks to fulfill for the trades, which, however, do not demand, nor are even consistent with, its omnipotence in any way." [34]

To Sidney and Beatrice Webb and other English writers he gives the credit for bringing forcibly before the world the fact that the trade unions are indispensable organs of democracy and not merely passing coalitions. That does not mean that the trade union should be the controlling monopolist of industry under a democracy. The trade union, "as mistress of a whole branch of production, the ideal of various older socialists, would be only a monopolist productive association, and, as soon as it relied upon its monopoly or worked upon it, it would be antagonistic to socialism and democracy, let its inner constitution be what it may." [35]

Universal Suffrage and Democracy.—Bernstein defines democracy as an absence of class government, though it does not yet involve the absolute suppression of classes. "The right to vote in a democracy makes its members virtually partners in the community, and their virtual

[34] *Ibid.*, p. 140. [35] *Ibid.*, p. 141.

partnership must in the end lead to real partnership. With a working class undeveloped in numbers and culture, the general right to vote may long appear as the right to choose the 'butcher.' With the growing number and knowledge of the workers, it is changed, however, to the implement by which to transform the representatives of the people from masters into real servants of the people.

"Universal suffrage in Germany could serve Bismarck temporarily as a tool," continues Bernstein, "but finally it compelled Bismarck to serve it as a tool. . . . In 1878 it could bring Bismarck into a position to forge the weapon of socialistic law, but through it this weapon became blunt and broken, until by the help of it Bismarck was finally beaten. . . . Universal franchise is . . . the alternative to a violent revolution. But universal suffrage is only a part of democracy, although a part which in time must draw the other parts after it as the magnet attracts to itself the scattered portions of iron. It certainly proceeds more slowly than many would wish, but in spite of that it is at work. And social democracy cannot further this work better than by taking its stand unreservedly on the theory of democracy." [36]

Dictatorship Antiquated.—Bernstein asserts that social democracy in Germany has always in practice taken such a stand. However, many of socialist theorists have adopted phrases used by socialists in the days when political privilege ruled throughout Europe, and have treated them as though the progress of the movement depended on these phrases rather than on an understanding of what can and should be done. "Is there any sense, for example, in maintaining the phrase of the 'dictatorship of the proletariat' at a time when in all possible places representatives of social democracy have placed themselves practically in the arena of parliamentary work, have declared for the proportional representation of people, and for direct legislation—all of which is inconsistent with a dictatorship?

"The phrase is today so antiquated that it is only to be reconciled with reality by stripping the word dictator-

[36] *Ibid.*, pp. 144-5.

ship of its actual meaning and attaching it to some kind of weakened interpretation. The whole practical activity of social democracy is directed toward creating circumstances and conditions which shall render possible and secure a transition (free from convulsive outbursts) of the modern social order into a higher one. . . . The dictatorship of the classes belongs to a lower civilization, and apart from the question of the expediency and practicability of the thing, it is only to be looked upon as a reversion, as political atavism.'' [37] If the thought is generated that the transition is to take place by means of agencies utilized in an age which knew little or nothing of the present methods of passing and enforcing laws, a reaction is sure to take place.

Socialism a Logical Development from Liberalism.—Finally Bernstein believes that the socialists should use moderation in their attacks on liberalism. Socialism is the legitimate heir of liberalism. Socialists have always stood four square for civil liberties. In fact ''the security of civil freedom has always seemed to it [socialism] to stand higher than the fulfillment of some economic progress.

''The aim of all socialist measures, even of those which appear outwardly as coercive measures, is the development and the securing of a free personality.'' A careful examination of socialist measures will indicate that the coercion involved in the application of these measures is far less than the liberty which they make possible. Thus the sum total of liberty in society is vastly increased.

''The legal day of a maximum number of hours' work, for example, is actually a fixing of a minimum of freedom, a prohibition to sell freedom longer than for a certain number of hours daily, and, in principle, therefore, stands on the same ground as the prohibition agreed to by all liberals against selling oneself into personal slavery.'' [38]

There is, in fact, no liberal thought which is not also found in the ideology underlying the socialist philosophy. Take the question of economic personal responsibility. Without responsibility there is no freedom. A healthy

[37] *Ibid.*, p. 146-7. [38] *Ibid.*, p. 150.

social life is impossible unless the personal economic responsibility of all those capable of work is assumed. The recognition of individual responsibility is the individual's return to society for services rendered or offered him by society. Critics of socialism have accused socialists of giving little consideration to responsibility. Indeed some socialists have assumed that society under the new order would give an absolute guarantee of employment to all of its members. Under socialism society would indeed do far more than at present to see that the individual obtained and kept positions suitable to his abilities and tastes.

"But a right to work, in the sense that the state guarantees to everyone occupation in his calling, is quite improbable in a visible time, and also not even desirable. . . . In such great and complicated organisms as our modern civilized states and their industrial centers an absolute right to work would simply result in disorganization." [39]

Socialism and Freedom.—Socialism will create no new bondage whatever. The individual is to be free, not in the metaphysical sense of the anarchists—free from all duties toward the community—"but free from every economic compulsion in his action and choice." Such freedom is only possible by means of organization. In this sense socialism may be regarded as organized liberalism, for "when one examines more closely the organizations that socialism wants and how it wants them, he will find that what distinguishes them above all from the feudalistic organizations, outwardly like them, is just their liberalism, their democratic constitution, their accessibility. If democracy is not to excel centralized absolutism in the breeding of bureaucracies, it must be built up on an elaborately organized self government with a corresponding economic, personal responsibility of all the units of administration as well as of the adult citizens of the state. Nothing is more injurious to its healthy development than enforced uniformity and a too abundant amount of protectionism and subventionism." [40]

Both Marx and Proudhon agreed, declares, Bernstein, in

[39] *Ibid.*, p. 153.

[40] *Ibid.*, pp. 153-5.

this, that they favored decentralization and federalism in their new social order, a democratic organization from the bottom up. Thus here they meet again in liberalism.

The growth of liberalism, Bernstein believes, makes possible a peaceful transition not to be attained in former days. "Feudalism, with its unbending organizations and corporations, had to be destroyed nearly everywhere by violence. The liberal organizations of modern society are distinguished from those exactly because they are flexible and capable of change and development. They do not need to be destroyed, but only to be further developed. For that we need organization and energetic action, but not necessarily a revolutionary dictatorship." [41]

Immediate Tasks.—Bernstein then gives his attention to the immediate tasks before the social democracy—the task of working out a peasants' program, of encouraging cooperation and municipal ownership, of formulating a foreign policy, of removing the existing class franchise, of "emancipating itself from a phraseology which is actually outworn," and of making up its mind to appear as what it is in reality today, "a democratic socialistic party of reform," "a party that strives after the socialist transformation of society by the means of democratic and economic reform." [42]

Violence vs. Legislation.—In conclusion he warns the party that a theory that does not permit a movement at every stage of development to give its consideration to the actual interests of the working classes, will always be cast aside.[43]

In Marx's writings he finds a dualism, resulting from the fact that his works aim both at scientific inquiry and at proof of a theory laid down long before the inquiry is started. There is, he contends, a real residue of utopianism in the Marxian system. Nowhere in the writings of Marx do we find a systematic investigation of what may be expected from legal, and what from violent, revolutionary action. In general it may be said that the violent method is quicker, insofar as it deals with the removal of

[41] *Ibid.*, pp. 164-5. [42] *Ibid.*, p. 197. [43] *Ibid.*, p. 205.

obstacles which the privileged minority places in the path of social progress; that the strength of this method lies on the negative side. Constitutional legislation, on the other hand, works more slowly in this respect. Its path is a path of compromise. "But it offers greater advantages where it is a question of the creation of permanent economic arrangements capable of lasting; in other words, it is best adapted to positive social-political work." [44]

"In legislation intellect dominates over emotion in quiet times; during a revolution, emotion dominates over intellect. But if emotion is often an imperfect leader the intellect is a slow motive force. Where the revolution sins by overhaste, the every day legislator sins by procrastination. Legislation works as a systematic force, revolution as an elementary force.

"As soon as the nation has attained a position where the rights of the propertied minority have ceased to be a serious obstacle to social progress, where the negative tasks of political action are less pressing than the positive, then the appeal to a revolution by force becomes a meaningless phrase." [45]

In conclusion Bernstein makes a plea for thinkers in the socialist movement who base their principles on ascertained facts, not on dogmas handed down to them from above.

"Today the movement needs, in addition to the fighting spirit, the coordinating and constructive thinkers who are intellectually enough advanced to be able to separate the chaff from the wheat, who are great enough in their mode of thinking to recognize also the little plant that has grown on another soil than theirs, and who, perhaps, though not kings, are warm hearted republicans in the domain of socialist thought." [46]

Summary.—Bernstein thus suggests a revision of Marxian doctrines at many points, although many of his criticisms are directed against the crude statements of Marxian principles, rather than against their more mature elaboration. He criticises the exclusive emphasis laid by some socialists on the economic factor in history. He maintains

[44] *Ibid.*, p. 218. [45] *Ibid.*, p. 218. [46] *Ibid.*, p. 224.

that, while surplus value exists as an empirical fact, the Marxian doctrine of surplus value is an abstraction. He maintains that Marx was wrong in holding that the middle class was decreasing and that the lot of the workers was becoming ever more miserable. Industrial combinations, he asserts, have not developed in a uniform fashion in the various industries, and in agriculture concentration in the generally accepted sense of that word has hardly taken place at all. Economic crises there are, but they give no indication of leading to the world catastrophes which Marxists predict, although cataclysms due to political events are at any time possible.

Bernstein also puts his hope in the evolutionary processes of democracy. He sees socialism as the logical carrying out of certain liberal principles and puts much faith in the efficacy of the cooperative and trade union movements as means of progress. He agrees with the social democrats of his day in most of the immediate demands contained in their program, and for which they so ardently work, although he insists that a number of these immediate demands are likely to ward off the cataclysm which many socialists regard as the necessary forerunner of an industrial revolution. Therefore, he insists, there is a certain inconsistency between the declaration of principles in the Erfurt Program and the demands for social reform which follow this statement. However, Bernstein's criticisms of Marx in no way interfere with his support of the social democratic movement, but merely lead him to the belief that tactics proposed by Marx for the attainment of a cooperative commonwealth, during the early days, should be changed to meet the realities of the situation.

Though many of Bernstein's contentions have been vigorously assailed by Marxists under the leadership of Kautsky, they have had quite a profound influence on the movement and it must be admitted that many of the prominent social democrats of pre-war days who still officially proclaimed their belief in the Marxian formulae, acted in their day-to-day agitation for practical, peaceful, measures

of social reform as though they had accepted in essence the teachings of the revisionist school.[47]

[47] Benedetto Croce, the well-known Italian philosopher, takes a somewhat different point of view regarding the Marxian system of thought from that of Bernstein, in his *Historical Materialism and the Economics of Karl Marx* (N. Y.: Macmillan, 1914). Marx's doctrines in many instances, he declares, do not correspond with the realities of the capitalist system. But Marx was conducting a scientific investigation regarding the laws of the capitalist system, and it is legitimate in such an investigation to deal with abstractions. In fact "all science deals with abstractions . . . and it is fatal to confuse the system of abstractions which science builds up with the concrete, living reality (p. 57).

"*Das Kapital* is without doubt an *abstract* investigation [Croce declares]. The capitalist society studied by Marx is not this or that society, historically existing, in France or in England, nor the modern society of the most civilized nations, that of Western Europe and America. It is an ideal and formal society, deduced from certain hypotheses, which could indeed never have occurred as actual facts in the course of history. It is true that these hypotheses correspond to a great extent to the historical conditions of the modern civilized world." But "nowhere in the world will Marx's categories be met with as living and real existences simply because they are abstract categories, which, in order to live, must lose some of their qualities and acquire others" (p. 50).

The concept of labor-value, he contends, is true for an ideal society whose only goods consist in the products of labor and in which there is no monopoly and there are no class distinctions (p. 135).

The Marxian theory that history is class war is true, Croce is inclined to believe, "(1) where there are classes, (2) when they have antagonistic interests, (3) when they are aware of this antagonism, which would give us, in the main, the humorous equivalence that history is a class war only when it is a class war. In fact sometimes classes have not had antagonistic interests, and very often they are not conscious of them, of which the socialists are well aware when they endeavor . . . to arouse this consciousness in the modern proletariat" (p. 85).

Croce concludes (1) That Marxian economics finds its justification, not as a general economic science, but as "comparative sociological economics, which is concerned with a problem of primary interest for historical and social life."

(2) That the economic interpretation of history, freed from all traces of the *a priori* standpoint, has validity as "a simple, albeit a fruitful, canon of historical interpretation."

(3) That the "appraisement of social programs must be a matter of empirical observations and practical convictions, in which connection the Marxian program cannot but appear one of the noblest and boldest and also one of those which obtain most support from the objective conditions of existing society." At the same time, the Marxian social program or any other program cannot be deduced from the propositions of pure science.

(4) That the legend of the intrinsic immorality and the intrinsic anti-ethical character of Marxism must be abandoned (p. 117).

For a good description of the issues at stake on the Marxian and revisionist controversies, see Hughan, *American Socialism of the Present Day*. Chs. IV–VIII.

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CHAPTER XXI

MARXISTS' REPLY TO REVISIONISTS

Marxists Reply to Revisionists.—From the time of the publication of Bernstein's criticisms in the late nineties until the outbreak of the World War, a battle royal was waged between the upholders of the revisionist point of view and the Marxists. Various critics within and without the social democratic ranks joined forces with Bernstein in their attacks on certain phases of the Marxian philosophy. These included Tugan-Baranowsky, Jean Jaurès, Werner Sombart, T. G. Masaryk, first president of Czecho-Slovakia, Paul Barth and Franz Oppenheimer.

The chief protagonist of the Marxian point of view in Germany was Karl Kautsky. Henry Hyndman in England, Louis B. Boudin and I. M. Rubinow in America, and a host of others also arose to the defense of Marx. Kautsky and others were careful to take the position, however, that the orthodox Marxian was not he who thoughtlessly followed Marx, but he who applied the Marxian method in order to understand the facts.[1]

Marx and Engels Wrong on Time Element.—Marx and Engels, they admitted, were fallible and erred in numerous analyses. While they were correct in their prophecies concerning the *direction* of social progress, they were wrong in foretelling the *time* when the social revolution in various countries would take place. It was a rare thing, it is true, for them to set down in black and white the exact year when a particular crisis would occur. Nevertheless, it cannot be denied that "Marx and Engels expected a far reaching and violent revolution in Germany in 1847 similar to the great French upheaval that began in 1789. Instead of this, however, there was but a wavering uprising

[1] Kautsky, *The Social Revolution*, p. 61.

that served only to frighten the whole capitalist class so that it took refuge under the wing of the government. The result was that the government was greatly strengthened and the rapid development of the proletariat was stifled.'' [2]

Forty years later, in the eighties, Engels looked forward to a revolution in Germany, which did not materialize. ''Marx and Engels,'' declared Kautsky, in 1902, ''were able to determine the *direction* of economic development for many decades in a degree that the course of events has magnificently justified. But even these investigators would strikingly err when it came to the question of predicting the *velocity* and *form* of the development of the next month.'' For, in the final analysis, in determining great social developments, ''geographical peculiarities, racial individualities, favor and disfavor of a neighbor, the restraint or assistance of great individualities,'' all these and many other things have had their influence. Many of these cannot be foreseen, ''but even the most recognizable of these factors operate upon each other in such diverse ways that the result is so extremely complicated as to be impossible of determination from a previous stage.'' [3]

And yet, despite the errors of Marx and Engels, an extraordinary number of prophecies have come true in whole or in large part.

The Rejoinder of Marxists on the Theory of Value.— The revisionist attacks on the labor theory of value and the theory of surplus value have been met variously by Marxists. Kautsky, as late as 1924, in dealing with the labor theory of value, maintained that it has ''stood the test, inasmuch as it has afforded us a closer insight into the laws of capitalist enterprise than any other theory. We may therefore regard labor-value as a reality.''

''All the same,'' he continues, ''it remains merely a tendency. It is real, but not tangible and exactly measurable. Measurements are only possible in the case of temporary phenomenal form, price. All attempts are doomed to failure which aim at 'constituting' the value of each

[2] Kautsky, *Road to Power* (Block, 1909), p. 8.
[3] Kautsky, *Social Revolution*, pp. 84-5.

separate commodity, that is, at determining exactly the quantity of labor contained in it."[4]

While not rejecting the theory of final utility accepted by many economists as a more adequate theory of value, Kautsky maintains that "the subjective value of the final utility theorists is something quite different from value in the sense of a Ricardo or a Marx. The former is a relationship of an individual to the commodities that surround him, while the latter is a phenomenon which, under given conditions of production, is the same for all persons, who find it already in existence, however varied their subjective needs, inclinations or circumstances may be.

"These two kinds of value have therefore nothing in common except the name, which is not precisely an aid to clear thinking.

"The value which Marx had in mind arises from and reacts upon specific conditions of production. It forms the starting point for the comprehension of these conditions. Subjective value, on the other hand, is a relation of a single individual to the things which surround him, whether they are produced by human labor or not; it contributes absolutely nothing to the knowledge of definite social conditions of production."[5]

On the other hand, Dr. Rubinow, in his defense of the general Marxian thesis, affirms that all socialist students admit that commodities or even services are not actually exchanged in direct and exact proportion to the amount of socially necessary labor. Nor can the Marxian formula permit of a proof, as "the amount of labor represented in any one commodity cannot be measured, let alone the amount of socially necessary labor."

The time consumed in producing a certain commodity, he continues, seems to offer a convenient measure of labor quantities, but the admission by Marx that 'skilled labor counts only as simple labor intensified, or, rather, as mul-

[4] Kautsky, *The Labor Revolution* (George Allen and Unwin, 1925), p. 266.

[5] *Ibid.*, pp. 266-7. See also Sachs, A. J., *Basic Principles of Scientific Socialism,* Chs. V–VIII.

tiplied simple labor,'[6] altogether destroys the utilization of *time* as a method of measuring values, for, instead of the objective measure, 'time,' there is substituted a subjective measure of comparative valuation of direct different kinds of human effort. This alone, entirely irrespective of the famous 'Marxian puzzle,' makes impossible the proof that commodities do exchange proportionately to the amount of labor, for the one mechanical method of measuring labor falls away.''

But the impossibility of proving this theory, Rubinow declares, does not affect the socialist movement one way or the other. Marx's demand for social justice, as some critics maintain, never depended on the ability to prove the correctness of his theory of value. ''The *demand* of the hand and brain workers for the ownership of what they create is very much more important socially than any logical, mathematical or metaphysical proof of the economic accuracy of the theory.''[7]

While the labor theory of value cannot be proved, Rubinow continues, it is easy to realize its popularity with the masses, irrespective of the criticisms of the economists. In this connection it must be realized, concludes the author, that every theory of value is a class theory. ''That is why it is so easy to criticise the numerous theories of value and so hard to prove any one of them.''

Boudin, on the other hand, defends the labor theory of value *in toto* against its critics, maintains that the ''Great Contradiction'' between Marx's explanation of value in the first and third volumes of *Capital* is no contradiction at all and that the law of value is a vital and integral part of the Marxian structure. Nor does he regard it as an objection to this law that it does not show the formation of prices and is no guide to the *actual* prices paid for commodities. ''A theory of value need not show that,'' he maintains, ''and, as a matter of fact, could not.'' He quotes Professor Carl Diehl, an opponent of Marx, as saying, ''The price of a commodity is a concrete, quantitative

[6] Marx, *Capital*, Vol. 1, Kerr Edition, 1908, p. 51.
[7] Rubinow, *Was Marx Wrong?*, p. 17.

determination: it shows us the quantity of goods or money which must be given in return for this commodity. *Value*, on the other hand, is an *abstraction*. When we speak of the value of commodities, we mean the regulative principle which lies at the bottom of the formation of prices."[8] (Italics ours.)

Marxists and Concentration.—However, the keenest controversy between the revisionists and the Marxists prior to the World War did not take place over Marx's philosophy of history or his abstract economics, but over his sociological doctrines regarding the future development of the capitalist system and the transition to the cooperative commonwealth.

As has been stated, Bernstein saw the movement toward concentration of ownership and control of industry as slow and extremely irregular. As illustrative of this slow development, he called attention to the persistence of many small businesses in manufacturing and distribution. In reply to this, the Marxians maintained that the important thing was not the number of small, struggling concerns that continued to live, but the relative amount of the product of the small and of the large undertakings. When the subject is approached from that angle, a very great amount of concentration is indicated. For example, in the United States in 1909 the largest sized establishments the value of whose products was $1,000,000 or more a year, produced 43.8% of American manufactures, although constituting but 1.1% of the total number of establishments. Five years before, these $1,000,000 establishments produced but 38% of the total products. As against these giant establishments, there were, it is true, in 1904, 143,938 establishments producing less than $20,000 worth of products each, and in 1909, 180,337. But in 1904 all of these claimed only 6.3% of the total value of the products, and in 1909, notwithstanding the increase of numbers, only 5.5%.

As indicative of the growing importance of the large establishments in Germany in the twenty-five year period

[8] Boudin, *Theoretical System of Karl Marx*, p. 108; see Chs. V and VI. See also Hughan, *American Socialism*, etc., p. 76.

from 1882 to 1907, it may be noted that, whereas 26.19% of the employes worked in the large sized establishments in 1882, 45.51% worked there in 1907. The percentage of employes in the middle sized establishments increased from 18.61% to 25.02%, while the percentage in the small establishments decreased from 65.20% to 28.47%. In agriculture, while the process of concentration is a slower one, nevertheless a gradual process is going on. In 1900, for instance, in the United States, the farms with over 500 acres constituted 4.4% of the total number, while the land contained therein constituted 23.5%. A decade later, in 1910, these farms constituted 6.2% of the total number, and their land 26.8% of the total land. The process toward concentration might be slower than Marx anticipated, but the tendency was there. That could not be denied.[9]

The Corporation and Centralization.—Bernstein, as will be recalled, maintained that the appearance of the corporation, far from centralizing ownership and wealth, was an agncy for the diffusion rather than for the concentration of wealth. To this point of view, Kautsky replied that the corporation in no way hindered the growth of great fortunes. "On the contrary, the corporation not only makes the control of production by a few banks and industrial combines possible; it also furnishes a means by which the smallest fortunes can be transformed into capital and thereby be made to contribute to the centralizing process of capital.

"Through the corporation the savings of even the poor are placed at the disposal of great capitalists, who are enabled to use those savings as if they were a part of their great capitals. As a result the centralizing of their own great fortunes is increased still more." [10]

Boudin approaches the subject from a somewhat different angle. According to the American author, "the Marxian analysis of the capitalist system and his deductions as to the laws of its development proceed upon the assumption of the absolute reign of the principle of competition. It was on the basis of that assumption that Marx

[9] Rubinow, *op. cit.*, Ch. IV. [10] Kautsky, *Road to Power*, p. 28.

declared that during the progress of capitalist development 'one capitalist kills off ten,' thereby centralizing all wealth in the hands of a steadily diminishing number of persons, eliminating the middle class and leaving society divided into two classes only.'' [11]

But what if competition should be checked? What if the capitalists should decide not to compete with one another, or to restrict the area and intensity of such competition and divide profits amicably instead of fighting with each other over their division?

The result would be to retard the progress toward concentration predicted by Marx. This is what has happened with the advent of the corporation. The primary purpose of the corporation is to blunt the edge of competition. There are but two legitimate reasons for organizing corporations. One is to enable those with insufficient capital to remain in the field by combining their several insufficient capitals into a capital sufficient to meet the newer requirements of the industrial process. The second is to enable those whose capital is sufficient to split up their large capital into many parts and to invest in many small undertakings. In the first case, it is an effort ''by those whom competition has forced out of the economic arena to stay in, by *representation* at least. In the second case it is an effort to limit the effects of competition in the future by dividing up and limiting its risks and liabilities (it should be remembered that the essence of the corporation is limited liability), and by providing a sort of mutual insurance between capitalists and capitals.'' [12] This new development necessarily requires the revision of the Marxian formula of centralization.

''It is, therefore, not a refutation of the Marxian analysis of the capitalist system to show that tendencies in the development of that system which Marx said would continue to exist as long as capitalism lived, disappeared in whole or in part when the basic principle of that system (competition) was abolished or modified.'' [13]

Boudin on the Disappearance of the Middle Class.—In

[11] Boudin, *op. cit.*, p. 177. [12] *Ibid.*, p. 178. [13] *Ibid.*, p. 179.

discussing the Marxian prediction regarding the disappearance of the middle class, Boudin declares that Marx in no sense considered the complete disappearance of that class, as some of the revisionists intimated, essential, but only the disappearance of a particular middle class of which he treated. The middle class undoubtedly have failed to disappear. And yet the statistics introduced by Bernstein in his attempt to show the increase in that class are unconvincing. They merely show that the group obtaining what Bernstein maintains are "middle class incomes" are increasing. In the first place it may be said that his classification into lower, middle and upper class incomes is an arbitrary one. Such a classification has its dangers, since a stated sum of money has a different purchasing power in different countries, in different parts of the same country and at different periods of time. But, what is of more vital importance, "income as such is no index whatever of either social or economic position." The question is, or should be, not *what* is a man's income, but *what does he derive it from?* When one investigates that question he will find that many included in the middle class income group are in reality members of another economic group. They come partly from salaried employes of large corporations, and partly from former members of the employing class who were thrust out of the ranks of capitalists, but who live on their wits and refuse to become members of the working class. The salaried workers in the corporations who make up the bulk "are in reality just as much a part of the proletariat as the merest day laborer." [14]

Nor is this group which lives on its wits, and which may be regarded as the "new middle class" a real obstacle to the advance of socialism. In fact the members of this group hardly constitute a social class, since they perform as a group no social-economic function. As a group it "has no veneration for property or property rights, no love of economic independence, and consequently no constitutional abhorrence of 'paternalism' or of socialism." [15]

Nor can the small stockholding capitalists be said to

[14] *Ibid.*, p. 206.

[15] *Ibid.*, p. 211.

have the same anti-socialist make-up as the old bourgeois group. While this group owns shares of stock, it does not control property. "Robbed of its economic independence, deprived of the control of its property and of the opportunity of individual enterprise, it has no other aspiration except to preserve its comforts, its incomes. If it has any ideals at all, its ideals may be said to be just the reverse of those of the old bourgeois middle class. By the very nature of its way of managing its affairs the propriety, effectiveness, and, above all, the necessity of socialization, is brought home to it. Furthermore, being minority stockholders, the members of this class naturally look upon the general government, the social organization as a whole, as the protector of its rights against the unscrupulous methods and the rapaciousness of the big capitalist sharks. . . . The ideology of this class, like that of the new middle class, is a curious mixture of old and new ideas, but one thing is clear in the midst of all this confusion, that its antagonism to socialism is not a matter of principle, but of convenience. "Whatever, therefore, has been saved of the middle class by the corporation with regard to *numbers,* has been destroyed, and very largely, by this agency, as to *character.* What was saved from the fire, has been destroyed by water. The result is the same: the *middle class,* that middle class which Marx had in view, the middle class which was a factor obstructing the way toward socialism, is *doomed."* [16]

It has likewise been pointed out that technical progress requires an increasing variety of specialists, and that this is a material factor in the growth of the middle class, in so far as its professional groups are concerned.

Marxists Answer Bernstein on Crises.—It will be remembered that Bernstein also made a number of strictures on the Marxian position regarding economic crises, which, in his opinion, were becoming less, rather than more, acute. Boudin admits the contention of Bernstein that crises depending on "anarchy of production" might disappear with the development of the trust and combine. However, he asserts, if the trust eliminated the crisis due to that cause,

[16] *Ibid.,* pp. 211-2.

it would not abolish the most important crises. For the chief cause of crises is not anarchy. Crises result from "the dual position of the laborer, as a seller of his labor power and the purchaser of the products of his labor power, and the creation of a surplus flowing therefrom which must result in an overproduction of commodities, quite apart from the 'anarchy of production.'" [17] Trusts and combinations, therefore, can only affect the form taken by the crises, whether they be short and acute, as formerly, or mild and drawn out. But the disappearance of the acute crisis does not alter the revolutionary significance of the crisis, does not lessen the mass of misery produced by it, nor indicate any lessening in the contradictions of the capitalist system. *The real question is whether the economic contradictions which produce crises have lost any of their acuteness.* It is a question of the adaptability of the capitalist system.

Capitalism has undoubtedly obtained a new lease of life by embarking on imperialistic ventures, continues Boudin. An imperialistic program, however, cannot abolish the contradiction within the system. For "by the very processes with which it creates its new customers for its goods, it makes of them competitors in the business of producing these goods." [18] During the period when the colonies are being developed, some relief is afforded to the mother country, anxious to get rid of its surplus product. Besides furnishing a market for surplus goods and for means of production, such development leads ordinarily to the building up by the mother country of a large army and navy. It leads to a withdrawal of thousands of workers from productive enterprise and to their absorption in the colonies as civil employes; to the feverish construction of railroads, factories, roads, etc., in many instances far beyond the requirements of the situation. Through imperialism, waste and wars, the surplus product which threaten to clog the wheels of business is thus disposed of and capitalism continues on its way.

How long will it be possible to maintain capitalism by

[17] *Ibid.*, pp. 238-9. [18] *Ibid.*, p. 241.

these means? It is difficult to tell. Marx never contended, of course, that there would have to be an utter collapse of capitalism before a social revolution was possible. It is, according to his theory, sufficient that production becomes 'fettered.' "The knell of capitalist private property sounds," he asserted, when "the monopoly of capital becomes a *fetter* upon the mode of production, which has sprung up and flourished along with it and under it."[19] Or, in other words, a system of production can only last so long as it helps, and does not hinder, "the unfolding and full exploitation of the productive forces of society," and must give way when it becomes a *fetter* to production. Such a system, maintains Boudin, has become a fetter to production when it can only exist by preventing production and by wasting what has already been produced. Its duration is limited, "quite irrespective of the purely mechanical possibility or impossibility of its continuance."[20]

Reform vs. Revolution.—Is capitalism imperceptibly to grow into socialism as a result of the enactment of an infinite number of reforms or as a result of a revolution? Are class antagonisms softening or becoming ever sharper? Is the revolution to be a peaceful or a violent one?

It is on these questions that there were in the pre-war days sharp differences of opinion between the revisionists and the Marxists.

Kautsky was emphatically of the opinion that socialism would be brought about as a result of a revolution, rather than, as Bernstein seemed to feel, a series of reform measures. It must be added that revolution to him was not necessarily a violent upheaval, but any kind of a change which placed in control of government a hitherto oppressed class.

Kautsky on Violence.—In fact Kautsky felt that violence was a weak weapon for the workers to use, and that peaceful methods were likely to prove much more effective. In the first place, he claimed, the great superiority of the weapons possessed by the standing armies to those owned by civilians practically doomed to failure any resistance

[19] *Ibid.*, p. 254.

[20] *Ibid.*, p. 254.

of the latter from the beginning. On the other hand, it should be realized, the revolutionary sections of the population possess far better weapons for economic, political and moral resistance than did the revolutionists of the eighteenth century, pre-war Russia being the only exception to this rule. These weapons include freedom of organization and of the press and universal suffrage.[21]

Democracy and Revolution.—Universal suffrage and political democracy cannot in themselves abolish revolution, "but it can avert many premature, hopeless revolutionary attempts, and render superfluous many revolutionary uprisings. It creates clearness regarding the relative strength of the different parties and classes." It prevents the workers from attempting to accomplish the impossible, and the governing classes from refusing to grant concessions that it no longer possesses the strength to withhold. "The direction of development is not thereby changed, but its course becomes steadier and more peaceful."[22]

Peaceful methods, including parliamentarism, strikes, press propaganda, etc., stand a greater chance of success in the more democratic countries, and among those groups who have the greatest faith in themselves and their cause. He adds: "The political situation of the proletariat is such that it can well afford to try as long as possible to progress through strictly legal methods alone."[23] The great fear is that the capitalist class, realizing their ultimate defeat, will try to incite the workers to violent acts, in order thereby to create a reaction. Violence in the past has time and time again assisted in setting back the labor movement.

Marxists on the Value of Reforms.—In their endeavor to prove the necessity for a revolution, the Marxists did not deny the ameliorating influence of those agencies mentioned by Bernstein—trade unions, cooperatives, labor legislation, nationalization of certain public utilities, etc. Kautsky writes:

"The slightest reform or organization may be of great

[21] See Kautsky, *Roads to Power*, pp. 50 ff.
[22] *Ibid.*, p. 52.
[23] *Ibid.*, p. 54.

significance for the physical or intellectual *rebirth of the proletariat* that, without them, would be surrendered helpless to capitalism and left alone in the misery that continuously threatens it. But it is not alone the relief of the proletariat from its misery that makes the activity of the proletariat in Parliament and the operation of the proletarian movement indispensable. They are also of value as a means of practically familiarizing the proletariat with the problems and methods of national and municipal government and of great industries, as well as to the attainment of intellectual maturity which the proletariat needs if it is to supplant the bourgeoisie as ruling class. . . . Democracy is to the proletariat what light and air are to the organism; without them it cannot develop its powers."

However, Kautsky and others felt that it was impossible to obtain a correct picture of social progress by concentrating attention only on these advances. It is necessary to study also the development of opposing forces. Kautsky thus warns the optimists:

"To be sure the cooperatives are increasing, but simultaneously and yet faster grows the accumulation of capital; to be sure, the unions are growing, but simultaneously and yet faster grows the concentration of capital and its organization in gigantic monopolies. To be sure, the socialist press is growing but simultaneously grows the partyless and characterless press that poisons and unnerves ever wider popular circles. To be sure, wages are rising, but still faster rises the mass of profits. Certainly the number of socialist representatives in Parliament is growing, but still more sinks the significance and efficaciousness of this institution, while simultaneously Parliamentary majorities, like the government, fall into ever greater dependence on the powers of high finance.

"So beside the resources of the proletariat develop also those of capital, and the end of this development can be nothing less than a great, decisive battle that cannot end until the proletariat has attained the victory."[24] Nor is this battle to be waged by a degraded, "slum" proletariat,

[24] Kautsky, *Social Revolution*, pp. 82-3.

"The emancipation of the laboring class is not to be expected from its increasing demoralization, but from its increasing strength."[25]

Boudin and Rubinow on Increasing Misery.—One of the doctrines of capitalist development advanced by Marx and most severely criticised by the revisionists was that prophesying the "increasing misery" of the working class. As we have seen, the revisionists vigorously attacked this doctrine. The workers, they maintained, were steadily improving as capitalism progressed. Boudin's answer to this contention is of interest. "Marx," he maintained, "does not speak of the growth of the *poverty* of the working class. This omission is very significant and alone would be sufficient warrant for us in assuming that Marx did not consider the growing poverty of the working class as a *necessary* result of the evolution of capitalism, all revisionist assertions to the contrary notwithstanding."[26] This is clearly seen in his statement that, with the accumulation of capital, the lot of the worker must grow worse, *no matter whether his wages are high or low.* Poverty is not the same as misery. Poverty in general depends on the amount of wages or other income a person receives. Misery, on the other hand, is a psychological, rather than a material condition.

The workers are increasingly miserable, as compared with the well-to-do, whose incomes have increased by leaps and bounds. Marx declared that there was a growing degradation among them. Degradation accompanies insecurity of tenure. The fact that the jobs of the workers are so insecure gives the capitalist a far greater power over the life and liberty of the "free workingmen than was ever enjoyed either by feudal baron over his serf or by the slave holder over his chattel-slave."[27]

Moreover, Marx predicted not only the tendency toward increasing misery, but also the development within the capitalist system of an organized, disciplined working class, fighting for immediate relief and for ultimate emancipation. The working class struggle, predicted by Marx, has undoubt-

[25] *Ibid.*, p. 38. [26] Boudin, *op. cit.*, p. 221. [27] *Ibid.*, p. 224.

edly led to better labor conditions. Present conditions are "not merely the result of the *tendencies* of capitalistic accumulation, but of the tendencies of capitalist accumulation as *modified by the struggle of organized labor against them.*" [28] It is this struggle which is the most important factor from the Marxian point of view in the final overthrow of capitalism. In its advance, labor develops steadily in economic power and independence in the sense that it takes possession of more and more responsible positions in the economic life of the nation.

Some Marxists do not attempt to defend the theory of increasing misery. They feel that Marx meant that the workers tended to become increasingly poverty stricken as well as mentally more miserable. But whether Marx "only meant to state the tendency of uncorrected capitalism, and not the historic law," writes Rubinow, or whether he had in mind "relative poverty" rather than absolute poverty, "is important for students of history of economic thought, but not for the socialist movement. . . . The important decisive fact is that the theory of increasing misery has been gradually abandoned by the socialist movement, and the movement still survives." [29]

Rubinow takes to task those critics who feel that capitalism automatically leads to constant improvement of the laborer's condition. After an examination of the trend of real wages, he maintains that "the capitalist system does not at all produce any marked improvement in the condition of the wage worker and that wherever such improvement has taken place, it may be easily explained by the obstinate struggle of the working class, of which struggle the socialist movement is the most comprehensive expression. That under the influence of the rising price level, which benefits the property owner primarily, the tendency, unless corrected by an aggressive labor movement, seems to be the other way." [30]

Kautsky with the revisionists scouted the idea of the revolution as a sudden *coup d'état*, declaring that Marxists were not disguised Blanquists, "who expect by a *coup d'état*

[28] *Ibid.*, p. 228. [29] Rubinow, *op. cit.*, pp. 46-7. [30] *Ibid.*, p. 57.

to make ourselves dictators." He considered the revolution an historical process that might easily draw itself out into a decade of hard battles.

Kautsky Depicts the New Order.—The early Marxists hesitated to depict a future social order based on proletarian control. All such pictures seemed to them too utopian. Kautsky, however, ventured a brief outline of the probable developments of a proletarian state "the day after the revolution," or, to be more exact, during the decade or two after a working class government came into power. These developments, which he presented in a simplified form, would, he believed, be the logical outworking of economic necessity. In the first place, a proletarian government would sweep all remnants of feudalism away. "It would extend universal suffrage to every individual and establish freedom of press and assemblage. It would make the state completely independent of the church and abolish all rights of inheritance. It would establish complete autonomy in all individual communities and abolish militarism."[31] It would dissolve the army though it would see that the people were armed. It would make fundamental reforms in taxation, and would cover the governmental expenses through the imposition of the graduated income tax and a property tax. It would increase and improve the schools and raise the pay of teachers. It would see to it that all children were equally well nourished and clothed and had equal school facilities, while at the same time insisting that education be adapted to varying mentalities.

Program of Socialization.—It would give immediate attention to the unemployed, as "enforced idleness is the greatest curse of the laborer." It would begin the purchase of private enterprises. "The political domination of the proletariat and the continuation of the capitalist system of production are irreconcilable. A portion of the factories, mines, etc., could be sold to the laborers who are working them, and could henceforth be operated cooperatively. Another portion could be sold to consumers' co-

[31] Kautsky, *Social Revolution,* p. 108.

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KARL KAUTSKY (1854-)

operatives and still another portion to the communities, or to the states. Its most extensive purchasers, of course, would be the states and municipalities.

"The industries that are most prepared for nationalization," according to Kautsky, "are the national means of transportation, railroads and steamships, together with those which produce raw material and partially produced goods; for example, mines, forests, iron foundries, machine manufactures, etc. These are also the very spheres where the great industries and trustification are most highly developed. The manufacture of raw material and partially produced articles for personal consumption as well as small trading have many local characteristics, and are still largely decentralized." In these spheres the municipality and cooperatives will come more to the front, leaving the national industries to play a secondary rôle. Money capital and land used for exploitation will also be socialized.

Compensation vs. Confiscation.—The proletarian regime, according to Kautsky, would probably compensate the capitalists and landowners. At first, such compensation would cause a stream of profit to flow to the capitalist class. However, it would have great advantages over the method of confiscation. For every increase in social wealth would henceforth adhere to the good of all society. Furthermore, "as soon as all the capitalist wealth had taken the form of bonds of states, municipalities and cooperatives, it would be possible to raise progressive income, property, and inheritance taxes to a height which until then was impossible. . . . The property which today is so hard to find then lies in broad daylight. It would then only be necessary to declare that all bonds must be public and it would be known exactly what was the value of every property and every capitalist income. The tax would then be raised as high as desired without the possibility of tax frauds." [32] It would also be impossible to avoid taxes through emigration, as the tax could simply be taken from the interest before it was paid out.

"The disadvantage of direct confiscation of all capital-

[32] *Ibid.*, pp. 121-2.

ists would be that such confiscation would strike all, the small and the great, those utterly useless to labor and those the most essential to labor in the same manner."[33] Confiscation through taxation, moreover, "permits the disappearance of capitalist property through a long drawn out process proceeding in the exact degree in which the new order is established and its benevolent influence made perceptible. It makes it possible to extend the process of confiscation over a decade so that it will only be fully operative in the new generation. . . . Confiscation in this way loses its harshness, it becomes more acceptable and less painful. The more peaceful the conquest by the proletariat is attained and the more firmly organized and enlightened it is, the more we can expect that the primitive forms of confiscation will be softened."[34]

Kautsky on Incentives.—After the revolution, the successful proletariat will have the gigantic task of keeping industry going. What incentives will be brought into play? "Certainly not the whip of hunger and still less that of physical compulsion. If there are people who think that a victory of the proletariat is to establish a prison regimentation where each one can be assigned his labor by his superior then they know the proletarian regime very poorly. The proletariat which will then make its own laws has a much stronger instinct for freedom than any of the servile and pedantic professors who are crying about the prison-like character of the new state.

"The victorious proletariat will never be satisfied with any prison or barrack-like regulations. Moreover, it has no need of anything of the kind since it has other means at its command to hold the laborer to his labor."[35] Custom can be depended upon to keep large masses of people at their work. "I am convinced that when once labor loses its repulsive character of over-work and when the hours of labor are reduced in a reasonable degree, custom alone will suffice to hold the great majority of workers in regular work in factories and mines."[36]

[33] *Ibid.*, pp. 122-3.
[34] *Ibid.*, p. 123.
[35] *Ibid.*, pp. 124-5.
[36] *Ibid.*, p. 125.

A much stronger motive is the *discipline* of the proletariat. "If the union once recognizes the necessity of the unbroken regular progress of labor we may be sure that the interest of the whole is so great that scarcely a single member will leave his post. The same force that the proletariat uses today to destroy production will then become an effective means to secure the regular continuance of social labor. The higher the economic organization develops today the better the outlook for the undisturbed progress of production after the conquest of political power by the proletariat." [37]

However, it must be realized that the discipline of the proletariat is not military discipline. It is self-imposed, democratic discipline, a free submission to self-chosen leadership and to the decisions of the majority of their own comrades. A democratic regime would from the beginning seek to organize production democratically. The maintenance of social discipline can only be achieved in that manner. Of course industries differ a good deal in their make-up and require varying forms of democratic organization. In some instances the workers would elect delegates who would constitute a sort of a parliament for the purpose of adjusting labor conditions and controlling the government of the machinery. In other instances, the control would undoubtedly be in the hands of the union, and still other industries would be cooperatively managed.

A socialist regime may more and more also depend on the attractive power of labor. Labor should be made a pleasure, rather than a burden, and as the proletarian regime develops, with shorter hours, more hygienic surroundings and a more friendly atmosphere, the labor process will gradually lose its repulsive side.

Socialism and Money.—Labor would be paid in money. Many advocate the abolition of money. But money "is the simplest means known up to the present time which makes it possible in as complicated a mechanism as that of the modern productive process with its far reaching divi-

[37] *Ibid.*, p. 126.

sion of labor, to secure the circulation of products and their distribution to the individual members of society."

Increase of Production.—One of the first tasks of a proletarian regime would be to increase production, in order to satisfy the enormous demands that would be made upon it. Production could be increased by concentrating the total production in the most perfect industrial plants and throwing all those out of operation which do not attain a definite standard, and, in the second place, by utilizing the best labor saving devices, by-products, etc. Revisionists have criticised those who believe that industry is ripe for socialization, on the ground that in many industries the number of private plants is very great, and it would take a considerable time for competition to destroy the smaller plants. The answer to this is that while society might expropriate all of the plants at once, it would operate only the best equipped large industries. In the textile industry in Germany, for instance, of the 200,000 textile establishments there are only 800 plants employing more than 200 laborers. For the state to operate these 800 is not an impossibility.

"Here again there is another significant point of view. Our opponents and the pessimists in our own ranks measure the ripeness of our present society for social production by the number of ruins which are strewn around it and of which it is incapable of ridding itself. Over and over again the great number of little industries that still exist is triumphantly pointed out. But the ripeness of socialism does not depend on the number of little industries that *yet* remain, but upon the number of great industries which *already* exist. Without a developed great industry socialism is impossible. Where, however, a great industry exists to a considerable degree it is easy for a socialist society to concentrate production and quickly to rid itself of the little industry." [38]

Production would also be increased as a result of the increase in wages. For "the raising of wages in industry would set free a large number of labor powers whose exist-

[38] *Ibid.*, pp. 144-5.

ence today is merely parasitic. They maintain a wretched existence today in their little shops, not because these shops are a necessity but because their possessors are in despair of finding their bread in any other place or because they cannot earn enough by wage labor and seek a supplementary occupation." [39]

Kautsky on Agriculture Under Socialism.—Under a labor government, many of the functions now undertaken by middle men would largely be assumed by cooperatives or municipalities. Bakeries, milk and vegetable production and the erection of buildings would also fall to cooperatives and municipalities. It is, however, not to be expected that all small private industries would disappear. Much of the agricultural industry, for instance, would probably remain private for a long time to come. To be sure the large agricultural plants would fall with the wage system and be transformed into national, municipal or cooperative businesses. Many of the small farmers would undoubtedly go into industry or into large agricultural enterprises in order to secure a respectable existence. "But we may be sure that some farmers would always remain with their own family, or at the most with one assistant or maid that will be reckoned as part of the family, and would continue their little industry. . . . The proletarian governmental power would have absolutely no inclination to take over such little businesses. As yet no socialist who is to be taken seriously has ever demanded that the farmers should be expropriated, or that their goods should be confiscated. It is much more probable that each little farmer would be permitted to work on as he has previously done. The farmer has nothing to fear from a socialist regime." [40]

Indeed, continues Kautsky, it is probable that these agricultural industries would be considerably strengthened through the new regime. As a result of the abolition of militarism, the reduction of taxation, the growth of self-government, the improvement of schools and roads, the lightening of mortgage burdens, etc., the demand for agricultural products on the part of the workers would be

[39] *Ibid.*, p. 140. [40] *Ibid.*, p. 159.

further increased. The community would also assist the farmers in obtaining machines, fertilizers, etc. It would at the same time encourage the formation of farmers' co-operatives and societies. "So here the private industry would continually recede before the social, and the latter would finally transform the agricultural industry itself and permit the development of such industries through the co-operative or municipal cooperative into one great social industry. The farmers will combine their possessions and operate them in common, especially when they see how the social operation of the expropriated great industry proves that with the same expenditure of labor perceptibly more can be produced, or that with the same number of products the laborers can be granted more leisure than is possible in the small industry. If the small industry is still able to assert itself in agriculture, this is due not a little to the fact that it can pump more labor out of its laborers than the great industry." [41]

The Small Industry and Socialism.—Nor will the small industry in business completely disappear. There will always be branches in which the machine cannot compete successfully with hand labor or cannot accomplish what the latter can. The small industry, however, will still remain "as islands in the ocean of great social business." [42]

"In this as in every other relation, the greatest diversity and possibility of change will rule. Nothing is more false than to represent the socialist society as a simple, rigid mechanism whose wheels, when once set in motion, run on continuously in the same manner.

"The most manifold forms of property in the means of production—national, municipal, cooperatives of consumption and production, and private can exist beside each other in a socialist society—the most diverse forms of industrial organization, bureaucratic, trade union, cooperative and individual; the most diverse forms of remuneration of labor, fixed wages, time wages, piece wages, participation in the economies in raw material, machinery, etc., participation in the results of intensive labor; the most diverse

[41] *Ibid.*, p. 161. [42] *Ibid.*, p. 165.

forms of the circulation of products, like contracts by purchase from the warehouses of the state, from municipalities, from cooperatives of production, from producers themselves, etc. The same manifold character of economic mechanism that exists today is possible in a socialistic society. Only the hunting and the hunted, the struggling and resisting, the annihilated and being annihilated of the present competitive struggle are excluded and therewith the contrast between exploiter and exploited." [43]

Intellectual Production Under Socialism. — Finally, Kautsky takes up the question of intellectual production under socialism. The general educational system and the system of scientific research, requiring, as they do, an immense volume of capital, will be largely social in their nature. The least that a proletarian regime can do is so to adjust the educational system that "each genius will have within his reach all the knowledge that the social educational system has at its disposal." It will free scientists and educators from the present domination by the capitalist class which so demoralizes science. The intellectual worker will breathe more easily.

In painting and sculpture, requiring individual production, there will be much private effort. "Just as little as the needle and thimble, will brush and palette, or ink and pen belong to these means of production which must under all conditions be socialized." The number and artistic quality of public buildings will greatly increase. "Instead of accumulating statuettes and pictures that will be thrown into a great impersonal market whence they finally find a place utterly unknown to the artist and are used for wholly unthought of purposes, the artist will work together with the architect as was the case in the Golden Age of art in Athens under Pericles and in the Italian Renaissance. One art will support and raise the other and artistic labor will have a definite social aim so that its products, its surroundings and its public will not be dependent on chance." [44] On the other hand the necessity of producing artistic works for sale as commodities will cease.

[43] *Ibid.*, pp. 166-7.

[44] *Ibid.*, pp. 173-4.

Intellectual production will flourish as a result of the increased leisure on the part of the working class. 'It is by no means fantastic to conclude that a doubling of the wages and a reduction of labor time to half of the present one is possible at once, and technical science is already sufficiently advanced to expect rapid progress in that field.'' [45]

Free Unions and Organs of Opinion.—At present a third group of intellectual workers, including writers, actors, etc., are mercilessly exploited by big capitalistic concerns. Such exploitation will cease under a proletarian regime. It has been argued that the substitution of state ownership of organs of opinion would mean intellectual stagnation. Socialists, however, do not propose centralization of these organs of opinion in the hands of the state. There will be much municipal control. ''Through these alone all uniformity and every domination of the intellectual life by central power is excluded.'' [46]

As another substitute for capitalist industry there will also be found ''*free unions* which will serve art and science and the public life and advance production in these spheres in the most diverse ways or undertake them directly as even today we have countless unions which bring out plays, publish newspapers, purchase artistic works, publish writings, fit out scientific expeditions, etc. The shorter the hours of labor in material production and the higher the wages the more will these free unions be favored. . . . Freedom of education and of scientific investigation from the fetters of capitalist dominion; freedom of the individual from the opposition of exclusive, exhaustive physical labor; displacement of the capitalist industry in the intellectual production of society by the free unions—along this road proceeds the tendency of the proletarian regime in the sphere of intellectual production.'' [47]

''May we not expect,'' concludes Kautsky in an eloquent passage, ''that under such conditions a new type of mankind will arise which will be far superior to the highest type that culture has hitherto created? An overman, if you will, not as an exception but as a rule, an overman com-

[45] *Ibid.*, p. 174. [46] *Ibid.*, p. 178. [47] *Ibid.*, pp. 178-9.

pared with his predecessors, but not as opposed to his comrades, a noble man who seeks his satisfaction not by being great among crippled dwarfs, but great among the great, happy among the happy—who does not draw his feelings of strength from the fact that he raises himself upon the bodies of the downtrodden, but because a union of his fellow men gives him courage to dare the attainment of the highest tasks.

"So may we expect that a realm of strength and of beauty will arise that will be worthy the ideal of our best and noblest thinkers." [48]

Summary.—The apologists for Marx, following Bernstein's attacks on the Marxian system, were thus seen to make certain admissions regarding the imperfections of the Marxian theories and to put forth certain defenses. They also sought to carry forward the Marxian theories into new fields of thought. On various questions they were divided among themselves in their interpretations.

Universally they defended the economic interpretation of history, admitting, however, the contention of Bernstein that the complexity of human relationships made extremely difficult the task of exact prophecy. They split over the validity of the Marxian theory of value and its importance in the Marxian system. They admitted the mistakes of the fathers of scientific socialism as far as the *time element* was concerned, though maintaining that the Marxian analysis of social tendencies was correct. They admitted that concentration did take place more rapidly in some industries than in others, but pointed out that many of Bernstein's figures in his chapter on concentration were quite meaningless. The important thing was not the number of small industries that survived, but the proportion of the output produced by small and large concerns. They pointed out that, while the corporation permitted small capitalists to become part owners in industry, it put enormous power in the hands of small groups on the inside. The corporation, furthermore, interfered with the free play of competition, and, inasmuch as Marx's predictions were

[48] *Ibid.*, pp. 188-9.

based on the assumption that free competition would continue, the growth of the corporation necessitated the revision of the Marxian formulae of concentration.

While the group receiving "middle class incomes" was increasing in modern society, a "middle class income" did not make a middle class person, within the meaning of Marx. Artisans working for others still remained members of the proletariat though their wages were raised. Much of the proof advanced by Bernstein in support of his argument that the middle class was increasing was no proof at all. Further, the new middle class did not present the same obstacle to socialism as did the old, small employing class.

While many of the pre-war Marxists still maintained that crises could not be eliminated under capitalism, they were not quite so sure of their ground as were their predecessors, and insisted that the social revolution did not depend on the utter collapse of the capitalist system as a result of acute crises, but might be brought about through the mere "fettering" of the system.

Kautsky and other Marxian authorities saw class antagonisms increasing, rather than softening. And yet the revolution they visualized was not a violent revolution, resulting from a *coup d'état*, predicted by the early Marxians, but a change in control of government from the capitalist to the working class brought about by the ballot and by economic action. They agreed with the revisionists that social reforms were desirable, where these reforms made for the physical, mental and ethical development of the working class. They put no faith in the "slum proletariat" as inaugurators of social change, and abandoned the theory of the increasing "poverty" of the working class, though some of them insisted that the "increasing misery" theory of Marx must be interpreted in the psychological sense, and that in such a sense it was true.

Finally, they began to visualize the future social state, as it would be developed by a working class in control of the powers of government and ever more conscious of its goal. In that task they sought to avoid dogmatism, and to see the new social order, under labor control, not as a static,

simple organism, but as an organism of infinite complexity and variety, continuously adjusting itself to its ever changing environment, to the end that personality might be developed and exploitation and oppression be a thing of the past.

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CHAPTER XXII

SYNDICALISM

From Germany we proceed to France and from the revisionist to the syndicalist phase of socialist thought; to syndicalism, with its *positive* emphasis on the trade and industrial union movement as the basis of the new industrial structure, on the producer, rather than the consumer as the controlling factor in industry, and on the general strike and other forms of "direct action" as the means of social transformation; with its *negative* emphasis on the need for abolishing the political state and on the impotency of political action as a means of working class emancipation.

Struggle of Workers for Right to Organize.—The syndicalist philosophy was the product of the French labor movement. The French working class, as was the case with the working class in practically all industrial countries, found it no easy task to gain a foothold in the national life. Although the French Revolution was ostensibly fought in behalf of the ideals of "liberty, equality, fraternity," it brought but little liberty to the workers, redounding primarily to the advantage of the commercial and manufacturing classes who took control of the reins of government.

In fact no sooner was the Republic established than laws were passed forbidding the workers from combining for the improvement of their condition. One anti-combination law passed at that time went so far as to declare gatherings of artisans riotous and to provide that such gatherings be dispersed by force and that the artisans holding them be punished with all the severity which the law permitted.[1]

An 1803 statute declared that those involved in coalitions

[1] *Les Associations Professionalles,* Vol. I, pp. 13-14.

to cease work were punishable by imprisonment of from one to three months, while the leaders of such coalitions were subject to terms of from three to five years.[2] The law of 1834 prohibited associations of even twenty persons, if such associations were connected with larger unions.

Despite these laws, however, trade unions gradually developed in different parts of the country and strikes became ever more frequent. The Revolution of July, 1830, resulted in considerable labor agitation and in frequent demands for the right of collective bargaining. Small groups here and there began to urge the complete reorganization of industrial society as the only solution of the labor problem. The writings of St.-Simon, Fourier and the utopian socialists made a deep impression on many thousands of workers at this period.

In the late forties and the early fifties, enthusiasm for cooperative societies ran high among the French workers, and over 300 producers' cooperative organizations were formed in Paris and a considerable number in the provinces. Encouragement was temporarily given to these associations by the subsidy of 3,000,000 francs granted by the Constituent Assembly. The Revolution of 1848, in which the socialist idea of the "Organization of Work" gained considerable headway, left a tradition emphasizing the possibilities of social transformation and gave a strong impetus to the trade union movement. The revolution was followed by a period of persecution, and this in turn by renewed agitation for the legalization of the unions, culminating in the law of 1864, granting the right to strike, and the law of 1884, legalizing the formation of syndical chambers.

The French Cooperative Movement During the Sixties.—During the sixties interest in the cooperative movement was renewed, and credit and savings organizations flourished for some time. From 1863 to 1868 the *Credit au Travail* became the center of this movement. The council of the bank subsidized cooperative journals, furnished the cooperatives with credit and advised them in regard to their management. The bankruptcy of the *Credit au*

[2] See Levine, Louis, *Syndicalism in France*, p. 23.

Travail in 1869, as a result of the extension of too many long-term loans, dealt a heavy blow to the movement and turned the activity of the workers into other channels.

The French Section of the International.—While many of the French workers were experimenting with cooperatives, others were becoming interested in the political organizations of the workers, and, in particular, in the activities of the International Workingmen's Association—the First International [3]—organized in London by French, English and German socialists in 1864.

The French section of the International, during the first years of its existence, was composed mainly of followers of Proudhon, and went by the name of *mutuellistes*. The mutuellistes believed in a peaceful change in social relations; in progress through education, mutual insurance, syndicats, cooperative societies and similar organizations. They gave much attention to credit societies and popular banks. Through such financial institutions, they believed, cheap credit would be placed at the disposal of all, and cooperative societies of production and consumption could then be organized in large numbers. Like the Marxists, they believed that the emancipation of the working class must be the work of labor. "Their ideal was a decentralized economic society based on a new principle of right—the principle of mutuality." [4]

From 1864 to 1868 the International met with but little success in France. The association was persecuted by the government and by 1868 it seemed completely to have disappeared. The following years, however, it revived again, this time under the leadership of those who accepted the ideas of collectivism and communism. One wing in this revived movement was led by Blanqui, who urged the organization of secret societies and the seizure of political power through a revolutionary upheaval, and denounced the tactics of the cooperators and mutuellistes. The Blanquists, during the last days of the Second Empire, num-

[3] See *Supra*, pp. 185-7, 192-4.

[4] See Levine, *op. cit.*, p. 41. See also Proudhon, *De la Capacite Politique des Classes Ouvrieres.*

bered something like 2500, chiefly among the republican youth.[5]

The International and Industrial Workers.—The other wing of the movement followed the socialist ideals of Caesar de-Paepe and Marx. This wing was strengthened by the action of the International in 1868 and 1869 in favoring the socialist proposal of ownership of industry by the community. In the latter year, the members of the French section succeeded in obtaining financial support for the strikes, which were then sweeping the country. This direct assistance to the workers on the industrial field so increased the popularity of the French section that it was reputed this year to have grown to a membership of about 250,000.

This keener interest of labor in the work of the International led the French leaders to change their attitude toward the strike as a radicalizing influence and they now declared it to be "the means *par excellence* for the organization of the revolutionary forces of labor." [6]

To several the idea of the general strike suggested itself. Many during these years began to speculate regarding the possibilities of a future social order based on the trade union structure, rather than on the state. At the International Conference at Basle in 1869, for instance, we find one of the French delegates advocating the necessity of organizing syndicats both as a means "of resisting exploitation of capital in the present" and as a means of organizing, out of the grouping of different trades in the city, "the commune of the future." In the latter event "the government will be replaced by federated councils of syndicats and by a committee of their respective delegates regulating the relations of labor—this taking the place of politics." [7]

Barbaret Organizes Conservative Unions.—Local trade unions were organized by the dozen during the next year, followed by the creation of a federation in Paris of numer-

[5] Thomas, A., *Le Second Empire*, p. 363.
[6] *Ibid.*, p. 363.
[7] Guillaume, James, *L'Internationale, Documents et Souvenirs* (Paris, 1905), Vol. I, p. 205.

ous syndicats. These, however, were largely swept away by the Franco-Prussian War, the Proclamation of the Republic, and the Commune. In 1871 the work of organization had to begin over again and for some time thereafter the workers avoided centers of syndical activity for fear of arrest.

The work of resuscitating the trade union movement was, curiously enough, finally undertaken by Barbaret, a republican journalist, who looked upon the syndicats as agencies for the elimination of strikes, which he regarded as fatal to the workers and dangerous to the republic.[8]

Barbaret, in this work of reorganization, specified a number of things which, he felt, the trade unions should strive to do. They should organize employment bureaus, create boards of conciliation, establish libraries and courses in technical education, purchase raw materials and instruments of labor and, finally, "to crown these various preparatory steps," develop cooperative workshops "which alone would give groups of workingmen the normal access to industry and to commerce" and which would in time equalize wealth.[9]

During the following years numerous syndicats were organized. This renewed activity culminated in the organization of the first French Labor Congress in Paris in 1876. This congress included over 400 delegates from syndicats, cooperative and mutual aid societies. The resolutions of this congress were of a mild order. They favored the peaceful solution of industrial questions, pronounced the strike an unsatisfactory weapon, affirmed the efficacy of cooperation as a path leading to working class emancipation, and repudiated the ideals of socialism.[10]

The Trade Unions Turn Socialist.—The second congress was similar to the first. The third, on the other hand, held in Marseilles in 1879, showed a distinctly more militant spirit. It repudiated the leadership of Barbaret, accepted

[8] See Barbaret, J., *Monographies Professionnelles* (Paris, 1886), Vol. 1, p. 16.

[9] Barbaret, *op. cit.*, pp. 20-25.

[10] *Seances du Congres Ouvrier de France, Session de 1876.*

the title of "Socialist Labor Congress," and favored the collective ownership of the means of production and the formation of a workingmen's political party.

This change in attitude was attributable to several things: the feeling that the republic was no longer in danger, since the election of President Grevy and the resignation of MacMahon, and that its cause would not be jeopardized by workers who took an advanced position on economic questions; the failure of the cooperative movement to bring about any considerable improvement in working class conditions, and the activities of the socialists. The logical step was to take the socialist position.

Jules Guesde Takes Socialist Leadership.—A group of collectivists, inspired by the ideals of the International, had existed in Paris since 1873. It was only, however, from 1877, when they secured a dynamic leader in the person of Jules Guesde, that they began to develop strength. Guesde was one of the most remarkable figures in the French socialist movement and more responsible than any other one individual for the actual organization of the movement. As a result of his editorship of *Les Droits de l'Homme,* in 1870–1871, which expressed sympathy for the Commune, he was sentenced to a term in prison. During a subsequent stay in Switzerland, he came into contact with the ideals of the International and of Marx. On his return to France he became the chief exponent of Marxian socialism. In 1877 he founded a weekly, *L'Egalité,* the first number of which outlined the policy the paper proposed. "We believe," declared the paper, "with the collectivist school to which almost all serious minds of the working class of both hemispheres now belong, that the natural and scientific evolution of mankind leads it irresistibly to the collective appropriation of the soil and of the instruments of labor." In order to achieve this end it is necessary for the proletariat to constitute itself into a distinct political party which will aim to conquer the political power of the state.[11]

In 1878, the year following the establishment of this paper, a proposal was made to hold an international con-

[11] *L'Egalité,* Nov. 18, 1877.

gress of workingmen in Paris. The government issued an order prohibiting such a gathering. Some of the moderates bowed to the governmental decree. Guesde refused, however, to heed the government order and went ahead with arrangements. The meeting has held but dispersed at its first session. Guesde was arrested and sent with others, to jail. While in jail the socialists issued an appeal for the organization of a labor party which secured wide circulation and helped to popularize the labor party idea.

The advocacy by the Marseilles Congress of 1879 of independent political action was undoubtedly largely brought about by the action of the government in breaking up the gathering of the International. "When the International Congress," writes the Committee on Organization, "was brutally dispersed by the government, one thing was proved: the working class had no longer to expect its salvation from anybody but itself. . . . The suspicions of the government in regard to the organizers of the congress, the iniquitous proceedings which it instituted against them, have led to the revolutionary resolutions of the congress which show that the French proletariat is self-conscious and is worthy of emancipation."[12]

Prior to the congress, furthermore, a committee appointed at Lyons had called on several of the more liberal deputies in behalf of labor legislation. They had found these deputies opposed in the name of liberty to the limitation of hours of work and to liberty of association, in the name of the superior rights of the state. "The remedy to this state of affairs," conclude the committee, "is to create in France a workingmen's party such as exists already in several neighboring states."[13]

The Marseilles Congress carried out with precision the desires of the socialists. It took the position that cooperative societies could not be regarded as agencies sufficiently powerful to bring about the freedom of the workers. It favored "the collectivity of soil and of sub-soil, of instru-

[12] Blum, Leon, *Les Congrès Ouvriers et Socialistes Francais* (Paris, 1901), pp. 33-4.
[13] *Ibid.*, p. 36.

ments of labor, of raw materials—to be given to all and to be rendered inalienable by society to whom they must be returned.''[14] It also constituted itself a distinct political party under the name of the ''Federation of Socialist Workingmen of France.''

Thus the leadership of the syndical movement passed to the collectivists. Unfortunately, this caused considerable discussion in the ranks of the trade unionists and at the next congress at Havre in 1880, the ''moderates'' and ''co-operators'' separated from the revolutionary collectivists. They formed a separate organization, which, however, soon passed out of existence. As soon as they were rid of the more moderate elements, the collectivists also began to dispute among themselves. One branch consisted of parliamentary socialists, who emphasized the political machinery as a means of social change, and another branch, of the communist-anarchists, who rejected the idea of the state and felt that the first act in the social revolution should be the destruction of this instrument of working class oppression. Parliamentary action the latter denounced as a ''pell mell of compromise, of corruption, of charlatanism, and of absurdities, which does no constructive work, while it destroys character and kills the revolutionary spirit by holding the masses under a fatal illusion.''[15]

''The anarchists,'' writes Levine, ''saw only one way of bringing about the emancipation of the working class: namely, to organize groups, and at an opportune moment to raise the people in revolt against the state and the propertied classes; then destroy the state, expropriate the capitalist class and reorganize society on communist and federalist principles. This was the social revolution they preached.''[16]

[14] de Seilhac, Leon, *Les Congrès Ouvriers de France* (Paris, 1899), p. 47.

[15] *Pourquoi Guesde n'est-il pas anarchiste?* p. 6.

[16] Levine, *op. cit.*, p. 84. On the anarchist theory see Paul Eltzbacher, *Anarchism* (N. Y.: Benj. R. Tucker, 1908); P. A. Kropotkin, *Anarchism* (in Ency. Brit., 1910); Bertrand Russell, in *Proposed Roads to Freedom*, pp. 32-55; P. Kropotkin, *Conquest of Bread* (N. Y.: Putnam, 1906); Bernard Shaw, *Impossibilities of Anarchism* (London: Fabian Society, 1893); Benj. R. Tucker, *Individual Lib-*

Defense of Political Action.—The socialists, on the other hand, maintained that to ignore political action was neither

erty (N. Y.: Vanguard Press, 1926); Hunter, Robert, *Violence and the Labor Movement* (N. Y.: Macmillan, 1914). Pt. I.

Anarchists differ from the socialists in their opposition to *all forms* of the political state; in their belief that *all* social coercion can be dispensed with; in their refusal to rely on parliamentary action as one of the means of reorganizing industrial society; in their insistence that industry must be run entirely by voluntary autonomous groups, and in their general lack of plan for the operation of a new society. To the extent that they urge terrorism to achieve their ends—the violent anarchists have always, however, been in the small minority—they also differ from the socialist school of thought.

Anarchists urge the abolition of the political state. They are in general of two schools—the individualist-anarchists and the communist or syndicalist-anarchists. The individualists would not disturb present property relations. Their desire is merely that the state be eliminated so that all may mold their lives as they see fit. There is the anarcho-communist and anarcho-syndicalist, on the other hand, who would substitute for private ownership a system of community or producers' ownership and operation of land and capital without the interference of the political state. Most anarchists urge the development of loosely federated autonomous cooperative industrial groups organized on a voluntary basis and accept syndicalism as the expression of the anarchist principle in the economic field. Under anarcho-syndicalism there would not only be no state, but there would be no compulsion to work and all things would be shared in equal proportion. Reliance would be placed on the possibility of making work so pleasant that practically everyone would prefer work to idleness. For under anarchism, work would not involve either overwork or slavery, or excessive specialization that industrialism is bringing out, but merely an enjoyable activity for certain hours during the day, giving an outlet to man's spontaneous constructive impulses. "There is to be no compulsion, no law, no government exercising force; there will still be acts of the community, but these are to spring from universal consent, not from any enforced submission of even the smallest minority."

Anarchism is not merely an economic-political program, but is a philosophy of social arrangements applying to every activity of human beings—education, marriage, religion, as well as work and "order." Proudhon, Bakunin and Kropotkin have been among its greatest advocates.

The leading members of the movement aim to realize their ideals through education, leaving "indiscriminate killing and injuring to the government—to its statesmen, its stockbrokers, its officers, and its law" (L. S. Bevington in Russell, *op. cit.*, p. 53). The movement, however, has contained a considerable number who have been impatient with educational methods and have preferred violent means.

The strongest support for the movement has been found in the Latin countries—Spain, Italy, France—and to some extent in Russia.

helpful nor possible. The workingman believes, they declared, in utilizing his right to vote and if he is not given an opportunity to support working class candidates, he will vote for the bourgeoisie. Moreover, there is no other way of social transformation than through the capture of the state. The state, as an instrument of class rule, will disappear as soon as socialism is established, but during the transition period it must be used by the socialists, representing the working class, for the purpose of effecting the change.

Guesdist's Revolutionary Program.—While all socialists emphasized the need for political action, they were divided on the kind of political action that was most desirable and on the effectiveness of immediate measures of social reform.

In the Congress of St. Etienne in 1882, the socialist forces split, one portion of the delegates following Guesde, and taking the name, *Parti Ouvrier Français*, and another group pledging allegiance to Paul Brousse, and designating themselves by the name *Parti ouvrier socialiste révolutionnaire Français*. Later, this group dropped the word *révolutionnaire* from the title. The party of Guesde emphasized its revolutionary and Marxian character. It denied the efficacy of immediate reforms under the capitalist system, and insisted that it was necessary to seize the political power of the state in a revolutionary fashion. "In multi-

Socialists with anarchists desire to see the state shorn of much of the coercive power that it exercises to-day. They believe, however, that, if it ceased to be a class instrument, the need for organized compulsion would be greatly reduced. They urge the opinion that, at least for generations, organized society must have at its disposal some means of enforcing its decrees, democratically arrived at, against an anti-social or non-social minority—decrees against violence, against thefts, laws for the protection of the health, the safety, the education and the industrial development of the community.

Nor do socialists agree with anarchists that enforcement of decrees necessarily limits community freedom. Such laws are often the means of protecting the weak against the strong and of adding to, not subtracting from, the sum total of human liberty.

As for the difference between the socialist and the anarchist industrial organization, a comparison between the socialist conception as heretofore given and the ideal of voluntary communism here outlined will be immediately revealing.

plying reforms," writes Guesde, in *Le Socialisme au jour de jour,* "one only multiplies shame. For all rights granted to the workers in the capitalist regime will always remain a dead letter." The entrance of the socialists into politics is not, therefore, to carve out seats of councillors or deputies, but because the political campaign gives to the socialists a remarkable opportunity for reaching the masses with the party's educational propaganda. The main object of the *Parti Ouvrier* is to be "a kind of recruiting and instructing sergeant preparing the masses for the final assault upon the state which is the citadel of capitalist society." [17] Only a revolution, they insisted, would permit the working class to seize the political power and socialize industry. No party could, of course, create the revolution, but once the revolution was created, as a result of national and international crises, the socialists would be in a position to direct it.

The party adopted a strongly centralized plan of organization and became in time the most active socialist party in France. It was especially strong in the north among the textile workers.

Evolutionary Program of Broussists.—The Broussists were called "possibilists" and "opportunists" by the Guesdists, because they believed that social reforms were desirable and that it was necessary "to split up our program until we make it finally possible." [18]

They permitted greater differences of opinion within their ranks and a larger amount of local autonomy than did their rivals. The conquests of political power appeared to them to be a rather peaceful and gradual process of infiltration into municipal, departmental and national legislative bodies. Like the Guesdists, their final aim was collectivism and they were committed to the class struggle. They had a considerable following among the workers of Paris and among the lower section of the middle class.

The Broussists, however, failed to remain intact. A considerable section of the membership soon became disaffected

[17] *Le Programme du Parti Ouvrier,* p. 52.
[18] Blum, *op. cit.,* p. 75.

from the leadership on the ground that it was too absorbed in politics, and too little interested in the building up of the party and in socialist propaganda. In 1890 this group, under the leadership of J. Allemane, separated from the main body and formed a socialist party of their own. They took with them a number of the most effective leaders in the larger syndicats.

Other Political Groups.—Two smaller groups active during that period were the Blanquists and the independent socialists. The Blanquists, also known as the *Comité Révolutionnaire Central,* were held together by their loyalty to their former leader Blanqui. For the most part they had been active in the Commune, returning to France when amnesty was granted in 1880. Though regarding themselves as the inheritors of Blanqui, they no longer practiced the secret tactics advocated by their former leader, but formed another legal political party. Their aim was the capture of political power and they approved all means that would bring about that end.

The independent socialists, the group that produced Jean Jaurès, Millerand, Viviani and others of great prominence in later years both in socialist and non-socialist ranks, were the outgrowth of the Society for Social Economy, founded in 1885 by Malon, a former member of the International. This society was organized for the purpose of formulating legislative projects of a general socialist character, which were published in a monthly, *La Revue Socialiste.* Gaining adherents among the republicans and radicals, the society finally entered into politics, put forth measures for the gradual socialization of industry, for the democratization of the communes, for the protection of labor, etc., and became an influential factor in the political life of France.[19]

All of these political groups coveted the control of the syndicats. They urged their members to join syndicats where they existed, to help in the creation of trade unions, and, incidentally, to draw the syndicats into politics. The

[19] For further analysis of the socialist groups during that period, see Seilhac, *Le Monde Socialiste* (Paris, 1896).

result was that many of the syndicats were torn asunder by political dissensions, and the differences between the various socialist political groups found their expression on the floor of the conventions. At times the control of a syndicat by one section of the movement led to the organization of rival syndicats in the same trade and locality.

Appeal to Trade Union Unity.—Economic conditions, however, were forcing the unions to come together. The industries of France had been growing apace during these years and the employers were presenting a united front against the workers. Small, insignificant, isolated unions were unable to resist the demands of the employing class. The law of 1884 legalizing syndicats compelled the unions to hand in the names and addresses of their officers to governmental officials; in Paris, to the Prefect of Police. The workers considered this as a move on the part of the government and the employers to penalize active unionists. A general congress of syndicats was called in October, 1886, at Lyons.

"Slaves of the same master, . . . suffering from the same evils, having the same aspirations, the same needs and the same rights," reported the Committee on Organization, "we have decided to set aside our political and other preferences, to march hand in hand, and to combine our forces against the common enemy. The problems of labor have always the power of uniting the workingmen." [20]

The congress resulted in the formation of a National Federation of Syndicats. The *Parti Ouvrier* was not slow in gaining control of the Federation and during the next few years both the federation and the Guesdists met at the same time and place, welcomed, to a large extent, the same delegates, and passed similar resolutions.

The Bourses or Labor Exchanges.—A rival to the federation soon appeared in the Federation of Labor Exchanges of France (*Federation des Bourses du Travail de France*). Labor exchanges had been in existence for many years in French cities as centers where workers and employers could meet each other and arrange for jobs. Fol-

[20] *Seance de Congres Ouvrier, Session de 1886*, pp. 18-19.

lowing the passage of the law of 1884, their functions enlarged and they were conceived as centers where all syndicats of a locality could "have their headquarters, arrange meetings, give out information, serve as bureaus of employment, organize educational courses, have their libraries and bring the workingmen of all trades into contact with each other." [21] The municipalities were to assist in their creation and subsidize them. The first such bourse was opened in Paris in 1887, and others sprang up all over the country. The Allemanists obtained the control of most of them. The Federation of *Bourses du Travail* followed in 1892.

First Discussion of General Strike.—About the time of the formation of the league of bourses, the French labor movement became agitated with the concept of the general strike. The general strike idea was not a new one. It had been discussed in England during the thirties, and later at the Congresses of the International.[22] Its first French propagandist appears to have been an anarchist workingman, Tortelier, a member of the carpenters' union.

The general strike idea was hailed with enthusiasm by the syndicats. During the sixties and seventies many of the workers regarded the strike as a necessary evil which never really compensated labor for the sacrifices involved. The general strike seemed to repair the defects of a strike in one trade, to insure a successful outcome and to be an admirable means of social revolution. "The conquest of political power," said Levine, "the method advocated by Guesdists and others, seemed vague and indefinitely remote; a general revolt, such as advocated by the anarchists, seemed impossible in view of the new armaments and of the new construction of cities which made barricades and street fighting a thing of the past. These two methods eliminated, the general strike seemed to present the only and proper weapon in the hands of the workingmen for the realization of their final emancipation." [23]

[21] Levine, *op. cit.*, p. 63.

[22] Beer, *History of British Socialism*, Vol. II., pp. 81-91; Dr. E. Georgi, *Theorie Praxis des Generalstreiks in der Modernen Arbeiterbewegung* (Jena, 1908).

[23] Levine, *op. cit.*, pp. 65-66.

In this sense, the idea of the general strike was favored in the congress of the National Federation of Syndicats in 1888. The Allemanists adopted it in 1891 and in 1892 Fernand Pelloutier defended it with marked success before a socialist congress, while Aristide Briand appeared the same year as its eloquent sponsor at the National Federation at Marseilles. The Blanquists naturally adopted it as one of the means to the realization of their aims. The Guesdists alone frowned on it, and in their Congress at Lille (1890) declared that it was impossible.

At that time the general strike was regarded as a peaceful weapon. The strike in one industry was legal. Even if it should spread to other industries not originally involved, it would not lose its legal character. This peaceful strike of folded arms would therefore permit the workingmen to carry out the revolution through legal means and in an easy manner. It must mean revolution, because it would paralyze life and reduce the ruling classes to famine. During the few days in which it would be waged, its advocates contended, it would be able to compel the government to capitulate and would carry the workers into political power.

The French workers of that day seemed to feel that it might begin at any moment and that it therefore assured the speedy coming of the cooperative commonwealth. At first its advocates felt that it might be decreed for a particular day. Afterwards they took the position that it must be spontaneous and could be brought about only through educational propaganda.

Guesdists Oppose General Strike.—Of course the acceptance of the concept of the general strike implied that one regarded the economic as superior to the political weapon. The Guesdists bitterly attacked this position. No real social revolution, they asserted, could be brought about in the way indicated. The idea was puerile. By the time that the capitalists felt the pangs of hunger, the workers would be starved. Besides, no peaceful general strike was possible. One side or the other would be sure to make it the occasion for violence. It could not succeed without a high

degree of organization and discipline, which, if attained, would make the strike unnecessary. Finally, the workers could not hope to win on the economic field, for there the capitalists were far stronger than their opponents. Labor, through its numbers, had superior strength only on the political field.

The general strike concept thus raised a definite issue between the socialists in control of the Federation and trade unionists who placed chief reliance on the economic weapon. The passage of the general strike resolution in the 1892 congress of the National Federation of Syndicats at Marseilles was a disastrous blow at socialist leadership in the trade union field. In 1894 a combined congress of this Federation and the Bourses was held at Nantes. Here the question of the general strike was the main issue on the agenda. The strike was favored by a large majority. The Guesdists, thereupon, withdrew and held a separate congress of their own. The organization they fostered, however, was soon absorbed in the *Parti Ouvrier*. A year later in 1895 the elements gathered at Nantes laid foundations for a new organization, the General Confederation of Labor (the C. G. T.), at the congress at Limoges. The C. G. T., in its regulations, pledged itself to remain independent of all political schools and incorporated the general strike as part of its program. "The creation of the General Confederation of Labor," writes Levine, "may be considered the first important revolutionary tendency in the syndical movement in France." [24]

The formation of the C. G. T. was a distinct victory for those who asserted the superiority of economic action over political and who wanted to keep the syndicats independent of political parties. The ideas formulated by this group contained the germs of revolutionary syndicalism.

The Bourses.—The syndicalist idea grew at first chiefly through the bourses of the various cities. The organization of local bourses, as has been said, finally led to the formation of the *Federation des Bourses du Travail* in 1892. Though organized first as a political measure against

[24] *Ibid.*, p. 71.

the Guesdists, the federation of bourses soon began to devote its main energies to economic functions, due largely to the efforts of Fernand Pelloutier, who was secretary of the organization from 1894 to his death in 1901.

Fernand Pelloutier.—Pelloutier (1867–1901), a member of a well-to-do family, received his early education in the Catholic schools. At an early age he entered political life, and soon became an advanced republican, later joining the *Parti Ouvrier*. He defended the general strike before the congress of the Guesdist party in 1892, and later broke with the party over this question. In 1893 he went to Paris, came under the influence of the anarchist-communists there, and accepted their point of view. His selection as secretary of the Federation assured its political neutrality, as it was his dream "to oppose a strong, powerful economic action to political action." [25]

To the federation Pelloutier devoted all his energies. He regarded the bourses as the nuclei of the society of the future and syndical activity as the means of enhancing the power and initiative of the workers and developing their administrative abilities. He would have the workers free themselves from every institution which had not for its essential purpose the development of production.

From 1894 to 1902 the *Federation des Bourses du Travail* was the most important trade union organization in France. Until 1902, when an amalgamation took place, it had frequent clashes with the General Confederation of Labor, since both organizations were appealing to local syndicats for membership. The *Federation des Bourses du Travail* finally joined the C. G. T. in 1902, and was soon lost in the other organization.

The Confederation and the General Strike.—In the years following its organization at the Congress at Limoges in 1895, the General Confederation of Labor gradually assumed an ever more revolutionary position. It repeatedly endorsed the general strike, regarding it as synony-

[25] P. Delessale, *Temps Nouveux*, 23 Mars, 1901; see also Maurice Pelloutier, *F. Pelloutier, Sa Vie, son Œuvre* (Paris, 1911).

mous with the revolution. In the Paris Congress of 1900, five years after its organization, the sentiment prevailed that a general strike might take place at any moment, and that its success depended not on money, nor on the conscious effort of a majority of workers, but on a daring, revolutionary minority, conscious of its aims. The delegates did not at this time exclude the idea of political action, although they displayed a definite mistrust of politicians as betrayers and intriguers. The delegates had also apparently come to the belief that the general strike would probably take on a violent character.

When the delegates met in 1901 at the Congress of Lyons, the miners were threatening a strike and the report of the committee maintained that "the moment had come to try the general strike with strong chances of success." The aim of such a strike, the motion adopted read, "can be only the complete emancipation of the proletariat through the violent expropriation of the capitalist class." [26]

Sabotage and Boycotts.—The Confederation likewise went on record during these years in favor of *sabotage*, boycotts and other forms of "direct action." It urged that the revolutionary spirit be instilled in the army. It maintained that the idea of "fatherland" had been utilized to protect the strong against the weak and that the workers should develop the spirit of internationalism.[27]

Labor Legislation and the Confederation.—The delegates at the congresses also hotly discussed the attitude workers should assume towards the labor laws that were then being enacted. The Waldeck-Rousseau government was in power during the years from 1899 to 1902. This was the period of the Dreyfus affair, when all the liberal elements united to secure the vindication of the Jewish army officer, falsely accused of treason. Republicans, radicals, socialists and anarchists were fighting hand in hand against monarchists, nationalists, anti-Semites and clericals. The Waldeck-Rousseau ministry constituted itself a "Cabinet of Republican Defense." It sought by every

[26] XII *Congrès National Corporatif* (Lyons, 1901), pp. 170, 179.
[27] XI *Congrès National Corporatif* (Paris, 1900), p. 205.

possible means to obtain the support of all the republican elements. It invited the socialist Millerand to enter the cabinet as a Minister of Commerce and Industry. It proposed a series of protective labor laws "as the best means of bringing back the working masses to the government."[28] It passed a ten-hour law as "a measure of moralization, of solidarity and of social pacification." It gave to the workers a representation of 22 out of 66 on the Superior Council of Labor, a consultative body in matters of labor legislation. Fifteen of these 22 labor representatives were allotted to the Confederation of Labor. The Prime Minister urged the workers to join the syndicats, helped to secure for them additional rights and introduced into the Chamber a bill for the regulation of strikes and for arbitration.

The Congress of Lyons was asked to define its attitude toward these measures.

The delegates, by a small majority, approved the principle of the Superior Council of Labor. On the other hand, by an almost unanimous vote, they rejected the proposal of regulation of strikes. In debating the labor laws, the speakers denounced the Prime Minister as a "clever defender of the interests of the bourgeoisie" who desired merely to stop the offensive movement of the workingmen. The acceptance of these laws, they declared, would but "reinforce a power they wanted to destroy."[29]

The revolutionary element did not, however, deny the possibility or desirability of reforms, but desired only those reforms that would "undermine the foundations" of existing society, strengthen the forces and organization of the workers and that could be obtained independently of parliamentarism. The syndicats, they felt, should carry the struggle not only against the employers by strikes, sabotage and boycotts, but against the state, and not only the state appearing as the enemy of labor, but the state which posed as its protector and benefactor.

The Confederation and the Socialists.—The Congress of Lyons also took a stand against socialist political action.

[28] Lavy, A., *L'Œuvre de Millerand* (Paris, 1902), p. 2.
[29] XII *Congrès*, p. 112.

The socialists had had their first big success in 1893, when they obtained 600,000 votes and elected over 50 deputies to Parliament. In the Chamber they constituted a parliamentary group, the *Union Socialiste,* for common action. This union of necessity strengthened the general tendency toward unity among the various socialist parties. There was much talk of unity during these days, and naturally, as the differences between the parties were becoming less and less. Following the year 1892, when the Guesdists obtained a number of seats in municipal councils, they turned their attention in considerable part to immediate municipal reforms, and had less energy left to preach the ultimate revolution. In their Congress at Nantes in 1894, they elaborated a detailed program of reforms that would appeal particularly to the agricultural population and increasingly emphasized the necessity of securing changes through universal suffrage and other legal means. This approach did not differ much from that of the Broussists and the independent socialists. On numerous occasions the Guesdists revealed their growing moderation. In 1896, at a banquet of all parties to commemorate the victory of socialists during the municipal elections, all factions applauded the remarks of Millerand, when he maintained that they all now relied for social advance on universal suffrage. The Dreyfus affair brought the socialist groups into still closer relations. A Committee of Harmony was formed in which all socialist parties participated. The cry for unity was beginning to be heard throughout the socialist press, and Jean Jaurès outlined a plan whereby all of the rival groups were to be absorbed in one unified party. The hope of unity was general.

Millerand Accepts Office.—The acceptance by Millerand of a post in the Waldeck-Rousseau ministry was a shock to many. The Guesdists, Blanquists and others denounced this act as a betrayal of the working class. On the other hand, the independents and Broussists insisted that socialists must take part in the general life of the country and assume increasing responsibility. The problem was thrashed out in two general congresses but no compromise

could be reached and a definite rupture in relations followed. The Guesdists, Blanquists and several regional groups formed the *Parti Socialiste de France* and the independents, Broussists and Allemanists, the *Parti Socialiste Français*, the latter supporting the Waldeck-Rousseau ministry. The old organizations, however, remained intact within each group.

In view of this political turmoil, the syndicats were more anxious than ever to keep politics out of the union. The result was the passage of resolutions that syndicats remain independent of politics and permit the individual to go his own way.

Workers Turn from Political Action.—While criticising Millerand for his decision, many of the Guesdists began to lose faith in their own party. M. Briand, in the party congress of 1899, thus upbraided the party officials for their moderate tactics:

"You became interested in these [electoral] struggles which gave immediate results, and little by little our militant comrades also became interested in them, took a liking for them to such a degree that they soon came to believe that in order to triumph definitely over the capitalist society nothing was necessary but to storm the ballot boxes."

Millerand's action, he maintained, was but a natural result of such teachings. Briand himself was soon to follow the same course.

Feeling that there was little chance of revolutionary action through political parties, many socialists joined with the communist-anarchists in an effort to permeate the unions with revolutionary ideals. This development led to a still further growth of revolutionary sentiment within the trade unions, and many came to regard the unions as the chief instrument for the transformation of society. This belief was confirmed by the action of the delegates at the Congress of Lyons.

The Philosophy of Syndicalism

Syndicalism and the Class Struggle.—The various revolutionary forces centering in the General Confederation of

Labor soon began to formulate a distinct philosophy known as syndicalism. The main tenets of this philosophy have already been indicated. The fundamental idea of revolutionary syndicalism, as of Marxian socialism, is that of the class struggle. Society is divided into two classes, the workers who own nothing but their labor power, and who live by selling it, and the employers, who own the instruments of production. Between these two classes constant struggle is being waged. This struggle is not a fact to be deplored, but a creative force leading to the emancipation of the working class. It is the class struggle that is unifying the workers in their fight to end exploitation, that is making them rely on their own ability, that is developing their self-consciousness, their intellectual and moral nature and that is creating forms of organization proper to them.

The Syndicat the Germ of Social Organization.—The unit of social organization, according to the syndicalist, is the syndicat or trade union. Dr. Levine thus states the syndicalist case: "The task of the syndicalists is to organize the more or less class-feeling of the workingmen and to raise it to a clear consciousness of class interests and of class ideals. This aim can be attained only by organizing the workingmen into syndicats. The syndicat is an association of workingmen of the same or of similar trades, and is held together by bonds of common interest. In this is its strength. Of all human groupings it is the most fundamental and the most permanent, because men in society are interested above everything else in the satisfaction of their economic needs. . . .

"Political parties, groups of idealists, or communities possessing a common creed are associations which cannot but be weak and transient, in view of their heterogeneous composition and of the accidental character of their bond of union. Political bodies, for instance, are made up of men of various interests grouped only by community of ideas. Only in groupings of real and fundamental interests, such as the syndicats, are men of the same conditions brought together for purposes inextricably bound up with life. . . .

"A workingman enrolling in a syndicat is not entering a party, not subscribing to a platform, nor accepting a creed. He is simply entering into a relation which is forced upon him by his very position in society, and is grouping himself with his fellowmen in such a way as to derive more strength for himself in his struggle for existence, contributing at the same time to the strength of his fellowmen. These conditions make the syndicat peculiarly fit to serve the interests of the workingmen. The syndicat is a sphere of influence which by the volume of its suggestion and the constancy and intensity of its action shapes the feelings and ideas of the workingmen after a certain pattern. . . .

"The syndicats should prefer industrial unionism to craft or trade unionism. The separation of workingmen into trades is apt to develop in them a corporate spirit which is not in harmony with the class-idea. The industrial union, on the other hand, widens the mental horizon of the workingman and his range of solidarity with his fellow workers and thus serves better to strengthen his class consciousness." [30]

Direct Action.—Furthermore, through the syndicat, the workers can enter into a "direct" struggle with their employers. "Direct action" is the only means, claims the syndicalist, of educating the worker and of preparing him for his final struggle for freedom. "Direct action," explains Levine, "is action by the workingmen themselves without the help of intermediaries; it is not necessarily violent action, although it may assume violent forms; it is the manifestation of the consciousness and of the will of the external agent; it consists of pressure exerted directly for the sake of obtaining the ends of view." [31]

The Educative Power of Strikes.—Direct action may be of various kinds. The principal forms of such action, however, are the strike, the boycott, the label and *sabotage.* Of these types of action, the most important is the strike. The syndicalist attitude toward the strike is thus represented by Dr. Levine, who, however, does not, in interpreting this attitude, commit himself to it: "The strike

[30] Levine, *op. cit.*, pp. 124-6. [31] *Ibid.*, p. 126.

brings the workingmen face to face with the employers in a clash of interests. A strike clears up, as if by a flash of lightning, the deep antagonism which exists between those who employ and those who work for employers. It further deepens the chasm between them, consolidating the employers, on the one hand, and the workingmen on the other, over against one another. It is a revolutionary fact of great value." [32]

All strikes, the syndicalists hold, have some revolutionary influence. The extent of that influence, however, depends on the way in which the strike is conducted. "If the workingmen rely only on their treasury, the strike degenerates into a mere contest between two money bags—that of the employer and that of the syndicat—and loses much of its value." Conciliation and arbitration should also be avoided. Strikers should endeavor to win their battles through *Sturm und Drang,* through quick and energetic pressure on the employers. The financial strength of the workers while on strike should be regarded as unimportant. Money, of course, is necessary. But money should be secured for the conduct of the strike, whenever possible, from other trades and industries. Thus given it helps to develop class solidarity. Sympathetic strikes are often a means of winning a victory for the workers.

The label, on the other hand, helps to show labor its power as consumer. In wielding the boycott, workingmen mobilize their power both as consumers and producers.

Sabotage.—*Sabotage,* a weapon given much prominence in the syndicalist philosophy, consists "in obstructing in all possible ways the regular process of production to the dismay and disadvantage of the employer." It may mean "loafing on the job," following the Scotch principle of *Ca Canny* (giving slow work for slow wages), or the French principle, *a mauvaise paye mauvais travail* (bad work for bad pay). It may be seen in the practise of railway workers in Austria, Italy and France of carrying out to a nicety all of the rules and regulations of a railroad, and of refusing to apply discretion and common sense to a job.

[32] *Ibid.,* pp. 126-7.

It may consist in misdirecting commodities. It may involve deliberate damage or temporary disarrangement to machinery or to a commodity. On the other hand, syndicalists as a rule condemn any act which results in the loss of human life.

The Syndicalist Attitude Toward the State and Politics. —As previously indicated, the syndicalists object to the state as such, whether monarchical or republican. They regard all states, as many Marxians regard them, as instruments of class rule. Workers, they declare, thus cannot succeed unless they destroy the power of the state. The struggle for the overthrow of the state must be carried on directly by the workers themselves. This excludes the participation of syndicats in politics. The parliamentary system cannot be trusted to emancipate labor from the wage system. It is particularly suited for manipulation by the bourgeoisie and has even a corrupting influence on the representatives of labor parties, whose policy "degenerates into bargaining, compromising and collaboration with the bourgeois political parties," thus weakening the class struggle.

Opposition to Democracy. — The workers, therefore, claim the syndicalists, if not hostile to working class political parties, should remain indifferent to them. They should force the state to yield to the will of the workers through external pressure on public authorities. They should agitate in the press, through public meetings, parades and other forms of demonstrations. Only reforms gained and upheld through force, are real. All others are illusory and tend to deceive the workers. An analysis of democratic reforms, the syndicalists assert, will show that those of value have been wrested by force. Too many reforms granted by legislators are devised to weaken the revolutionary movement by developing class harmony. The doctrine of class harmony blinds the worker "to the real facts of inequality and of class-distinctions which are the very foundations of existing society." [33]

Anti-Patriotic.—In attacking the state, the syndicalist

[33] *Ibid.*, p. 131.

attacks the idea of patriotism. "Our country," they maintain, has no meaning for the workers. The workingman's country is where he works. He has no fatherland in the real sense of that term. "Ties of tradition, of a common intellectual and moral heritage do not exist for him." The only real ties are economic interests which bind him to the workers of the world, and, by the same token, separate him from the capitalists. International solidarity and anti-patriotism are necessary corollaries of the class struggle.

The capitalist state does not rely on sweet reason alone in its task of keeping the workers in their place. It relies on force—the force of the judiciary, the police, the military. The military are the most effective force. They should be reached by the workers. A strong propaganda should be started among the army and navy in the workers' behalf, and a general anti-militarism campaign should be conducted. The soldiers should be urged not to use their arms against the workers in case of strikes, and to refuse to bear arms in time of war. Syndicalists also should refuse to take part in international warfare.

Reforms Wrested by Direct Action.—It might be said that direct action which forces improved conditions from the state and the employing class tends to take the edge off of the revolutionary spirit of the workers. This, however, is not the case, according to the syndicalists, as such reforms do not fundamentally alter conditions, but do fortify the workers in their preparation for the final struggle. "Every successful strike, every effective boycott, every manifestation of the workingmen's will and power is a blow directed against the existing order; every gain in wages, every shortening of hours of work, every improvement in the general conditions of employment is one more position of importance occupied on the march to the decisive battle, the general strike, which will be the final act of emancipation." [34]

The General Strike.—The general strike, the syndicalists declare, is the weapon that can be depended upon to abolish classes and bring about the new order. It will not

[34] *Ibid.*, pp. 132-3.

come from the clouds, but will be the logical outcome of the syndicalist movement gradually prepared for by the daily struggles of the workers. It might fail today, but today's failure is a preparation for tomorrow's success.

Structure of Syndicalist Society.—Following the syndical revolution, what? Shortly after the congress of the Confederation in 1901, a questionnaire was sent to the locals of the syndicats throughout the country, asking the members of the organization to give their conception regarding the structure of the syndicalist order. The reports received differed in detail. In general they agreed that the syndicat should constitute the cell of the new society. The syndicat under syndicalism, they maintained, will group together the workers of one and the same trade, who will control the means of production. No one syndicat, however, will be the exclusive owner of any portion of collective property. It will merely use such property with the consent of society. The syndicat will be connected with the remainder of society through membership in the *Bourse du Travail* and the General Confederation of Labor. The relations of the local syndicats with the national federations of their respective trades will be technical and special, and the rôle of the national trade union will not be a great one. "With the General Confederation relations will be indirect and mainly by mediation of the *Bourse du Travail.* Relations with the latter will be of permanent importance, as the *Bourses du Travail* will be the centers of economic activity." [35]

The Bourse du Travail.—The *Bourse du Travail,* or the city trade union council, "will concentrate all local interests and serve as a connecting link between the locality and the rest of the world. In its capacity as local center it will collect all the statistical data necessary for the regular flow of economic life. It will keep itself informed on the necessities of the locality and on its resources, and will provide for the proper distribution of products; an intermediary between the locality and the rest of the country, it will facilitate the exchange of products between locality

[35] *Ibid.,* p. 135.

and locality and will provide for the introduction of raw material from the outside." It will thus, in a word, combine the organization of local and of industrial autonomy. "It will destroy the centralized political system of the present state and will counterbalance the centralizing tendencies of industry." [36]

The General Confederation will take charge only of such national services as railways. Its function will consist chiefly in furnishing general information and in exerting a controlling influence. It will also serve as an intermediary in international relations.

Disappearance of State.—Under syndicalism, the political state as we know it will disappear. It is true that there will be local and national organizations which might be designated a state. Syndicalists, however, maintain that a state presupposes an organization in which a delegated minority centralizes in its own hands the power of legislation over all matters. "The essential character of the state is to impose its rule *from without.* The legislative assemblies of the present state decide upon questions which are entirely foreign to them, with which they have no real connection in life, and which they do not understand. . . . The state is, therefore, arbitrary and oppressive in its very nature." [37]

The syndicalists, on the other hand, maintain that the discipline they exact is that from within, decided upon by those whose duty it is to carry on the processes in question. "The syndicats, the delegates of the syndicats to the *Bourses du Travail,* and so on, only they can properly deal with their respective problems. The rules they would impose would follow from a knowledge of the conditions of their social functions and would be, so to speak, a 'natural' discipline made inevitable by the conditions themselves." [38]

Furthermore, many of the functions of the existing state would be found unnecessary under a cooperative system. The necessary local functions could be carried on by the *Bourses du Travail.*

However, most modern syndicalists have given little at-

[36] *Ibid.,* p. 135. [37] *Ibid.,* p. 136. [38] *Ibid.,* pp. 136-7.

tention to the problem of the future state, maintaining that the necessary forms can be worked out by labor when necessity arises. The main need, they maintain, is that of preparing the workers for the change. Where they still seek to picture their future society, they tend to give to the national labor organizations greater power, and deprive the local bourses of some of the functions formerly allotted to them.

The Militant Minority.—The syndicalist lays great emphasis on the importance of the small, conscious, militant minority as the leaders of the revolution. The great mass of workers, they maintain, are inert and are moved only as the result of the most vigorous efforts by the minority. "Every strike, every great demonstration is generally started by a small and daring group with a vision. The conscious minority, however, can succeed only by carrying with them the mass of the workers and by inducing the mass to participate in the struggle. This conscious minority works in a far different manner from that of the parliamentary representatives of the people. The latter wish to do all themselves, and are thus intent on keeping the masses quiescent and submissive. The conscious minority, on the other hand, who realize that their only chance of success comes through the solid support of the great mass of the workers, strive necessarily to stimulate the energy and intelligence of their fellows.

The Syndicalist and Democracy.—The idea of control by the conscious minority is, of course, opposed to the democratic principle, functioning through universal suffrage. While the majority is supposed to rule, the minority, according to the syndicalists, generally get into control and exploit the majority for their own interest. "Universal suffrage is a clumsy, mechanical device, which brings together a number of disconnected units and makes them act without proper understanding of the things they are about. The effect of political majorities when they do make themselves felt is to hinder advance and to suppress the progressive, active and more developed minorities." [39]

[39] *Ibid.*, pp. 138-9.

The syndicats do not arise out of universal suffrage and do not represent the majority in the generally accepted sense of that term. They group together but a minority of the workers, and never expect to take in all. The more sensitive, the intellectually more able, the more active workingmen come together and constitute themselves a syndicat. They discuss their special problems, and when they have demands to make, they enter into a struggle, without finding out what the so-called "general will" has to say. In so doing the members of the syndicats are convinced, however, that they are expressing the feelings of all. The syndicat constitutes the leading conscious minority. Its self-leadership is justified on the ground that it is not striving for selfish ends. Its victory will mean better conditions for many outside the organization. "If the general mass of workingmen do not enter the syndicats, they themselves renounce the right of determining conditions for the latter. Benefiting by the struggles of the minority, they cannot but submit to its initiative and leadership." Furthermore, it must be said that syndicats are open to all. Those in charge of a syndicat are also, it is claimed, necessarily disinterested, and within the group a sense of solidarity and devotion to community interests are encouraged. The syndicats "are gradually undermining the existing structure of society, and building a new structure, and when the time is ripe they will sweep away the undermined edifice and erect a new society born from their own midst."[40]

The Theorists of Syndicalism.—The theorists of revolutionary syndicalism may be divided into two groups: members of the working class and those completely identified with them, on the one hand, and "intellectuals" outside of the labor movement, on the other. The most prominent in the former group were Fernand Pelloutier, the secretary of the Federation of Bourses from 1894 to 1902; Emile Pouget, assistant secretary of the Confederation and editor of the *Voix du Peuple* from 1901 to 1908; V. Griffuelhes, secretary of the General Confederation of Labor from 1901

[40] *Ibid.*, p. 140.

to 1908, George and Niel Yvetot and others, active officers of the Confederation. Pouget and Yvetot came to the syndicalist movement from the communist-anarchist group; Pelloutier started as a socialist and then became a convert to the anarchist faith; Griffuelhes came from the Allemanists. These "working class theorists," active in the day-to-day struggle of the unions, were less interested in the mere speculative side of syndicalism, more in the methods that should be adopted in the industrial struggle if the revolution were to be brought about more speedily.

The principal figures in the "intellectual" group were Georges Sorel, M. Hubert Lagardelle, Edouard Berth and Gustave Hervé. Their organs were *Le Mouvement Socialiste,* founded in 1899 by Lagardelle, a member of the Socialist party, and the weekly, *La Guerre Sociale,* edited by the militant writer, Hervé. Sorel, Lagardelle and Berth, through *Le Mouvement Socialiste,* endeavored to supply a philosophic and sociological basis for syndicalism.

Sorel's Approach to Syndicalism.—Sorel was the most prolific writer. He saw syndicalism as a further development of the fundamental ideas of Karl Marx. Syndicalists were "neo-Marxists," accepting as they did the spirit of Marx, though rejecting a number of the current interpretations of the great socialist thinker. The syndicalist philosophy was in a sense "revisionism of the left." Revision of Marxian theories was essential, "because, on the one hand, Marx was not always 'well inspired,' and often harked back to the past instead of penetrating into the future; and because, on the other hand, Marx did not know all the facts that have now become known: Marx knew well the development of the bourgeoisie, but could not know the development of the labor movement which has become such a tremendous factor in social life." [41] The new school, Sorel continued, did not feel that it was bound to admire "the illusions, the faults, the errors of him who has done so much to elaborate the revolutionary ideas." [42]

[41] *Ibid.*, p. 143; Sorel, *Reflexions sur la Violence* (Paris, 1910), pp. 246, 249.

[42] Sorel, *op. cit.*, p. 249.

Syndicalism, according to this writer, retains from Marx the idea that each social system contains the germs of a new system that is to be developed gradually within the bosom of the old and is to be liberated from its outworn integument when the time is ripe.

Sorel conceived the main task before syndicalists as that of training the working class to behave in the "workshop created by capitalism," of developing the proper capacities of the workers.[43]

He regarded the syndicats as the best place to obtain this training, for from the syndicats the workers could exclude "the dictatorship of the intellectuals" who had conquered the world of politics.

The General Strike a Social Myth.—It was primarily in his conception of the general strike that he made his contribution—a contribution not altogether accepted by his friends—to the syndicalist philosophy. The idea of the general strike, he maintained, was the greatest organizing and educative force in the possession of the workers. Not that the general strike was ever likely to take place. That was not necessary. "Social myths" play a very large part in social development. How powerful a factor in early Christianity was the myth of the second coming of Christ! Myths are indispensable to every revolutionary movement. They make it possible for those believing in the day of deliverance to keep up their courage and enthusiasm. They concentrate the forces of a rising class and intensify it to the point of action. Social myths generally have utopian features connected with them. But these features are not essential. The essentials are the hope which the acceptance of the myth brings and the ideals strengthened by the myth.

The general strike idea is the social myth most needed by the modern working class in their struggle for emancipation. The masses who hold the image of the final general strike before them are encouraged to fight in the intermediate struggles, regarding them as skirmishes before the great, decisive battle. On account of the idea of the gen-

[43] Sorel, Preface to Pelloutier's *Histoire des Bourses du Travail.*

eral strike, "socialism remains ever young, the attempts made to realize social peace seem childish; the desertion of comrades who run over into the ranks of the bourgeoisie, far from discouraging the masses, excites them still more to revolt; in a word the rupture (between the bourgeoisie and the working class) is never in danger of disappearing."[44]

This rupture, according to Sorel, should be developed by every possible means. For progress through democracy which is based on the fiction of the "general will" cannot be depended upon. The working class must break with this idea.

Sorel on Violence.—This rejection of the democratic method leads Sorel to lay much emphasis on the application of proletarian violence as the way out. This does not mean wholesale brutality but that the "social struggles must assume the character of pure struggles similar to those of armies in a campaign."[45] Such violence will indicate to the capitalists that social peace is impossible. They will then turn their attention to their economic interests, and the development of the forceful, inventive captains of industry will be the result.

Violence has the additional effect of stimulating the class consciousness of the workers, of bringing vividly before them their sublime mission in history and, as a result, incorporating their aspirations in the idea of the general strike.

The catastrophic character of the general strike heightens its moral value. The workingmen are stimulated by it to prepare themselves for the final combat by a moral effort over themselves. For only in such unique moments of life "when we make an effort to create a new man within ourselves" "do we take possession of ourselves" and become free in the Bergsonian sense of the term. The general strike, therefore, raises socialism to the rôle of the greatest moral factor of our time.

Sorel and Marx.—"Thus M. Sorel," remarks Levine,

[44] Sorel, *Reflexions sur la Violence*, p. 179.
[45] Sorel, *op. cit.*, pp. 256-7.

"having started out with Marx, ends up with Bergson. The attempt to connect his views with the philosophy of Bergson has been made in all his later works. But all along M. Sorel claims to be true to 'the spirit of Marx.' . . . It is doubtful, however, whether there is an affinity between the 'spirit' of Marx and that of Professor Bergson. It appears rather that Professor Sorel has tacitly assumed that affinity because he interprets the 'spirit' of Marx in a peculiar and arbitrary way."[46]

In fact, as Levine points out, Sorel differed from Marx in his emphasis on the mystical and subconscious factors, as contrasted with the economic factors in social development; in his utter skepticism as to the possibility of determining the future course of history and in his belief that the new social order would arrive—if it came at all—through a possible or probable general strike, rather than as a result of necessary economic and social changes. From Proudhon, the anarchist, Bergson, Neitzsche and Renan, Sorel received perhaps more of his inspiration than from the socialist thinker.

It might be added that the actual influence of Sorel on the syndicalist movement has often been overestimated. Many of his philosophical interpretations, notably that on the general strike, received scant consideration among the rank and file of the movement. Later he broke off relations with syndicalism and at one time was a collaborator with a group publishing a "neo-monarchist" journal.

Other Theorists.—Lagardelle's writings were far more systematic than were those of Sorel. He confined his attention to the economic and political and acknowledged the value of democracy in making socialism possible and of the Socialist party in dealing with problems not included within the domain of industrial activities. Hervé's contribution was chiefly in the domain of the movement's relations to militarism and the army of which he was a bitter opponent until France's participation in the World War.

The philosophy of revolutionary syndicalism was influ-

[46] Levine, *op. cit.*, pp. 150-1.

enced vitally not only by the foregoing influences, but by many anarchist thinkers and writers as well as by the left wing socialists who entered the movement.

Later History of French Syndicalism.—So much for the theory of syndicalism. From 1902 to the outbreak of the World War a constant battle took place within the Confederation between the revolutionary branch of the movement and the reformists. During 1905 and 1906 the French unions conducted a vigorous campaign for the eight hour day during which several of the leaders of the Confederation were arrested, and the government, under the premiership of Clemenceau, sent numerous troops to Paris to protect it against the so-called "coming revolution" which the C. G. T. was supposed to be setting loose on society.

Socialists Unite; Syndicalists Discuss Relationship.—At the Congress of Amiens in September, 1906, the question of the affiliation of the trade union movement with the Socialist party again came up for discussion. The question had by that year taken on a different aspect from that manifested in previous congresses. The International Socialist Congress in Amsterdam in 1904 had urged the French socialists to come together if possible into a unified movement. As a result of this action, a Congress of Unification was held in April, 1905, and the *Parti Socialiste de France* and the *Parti Socialiste Français* formed the *Parti Socialiste Unifié*. At its first congress in October, 1905, the unified party claimed a dues paying membership of 35,000 members in 2000 groups. In the elections of 1906, some 54 socialists belonging to the party were elected to Parliament. With this union of socialist forces, one of the reasons for the action of the Confederation in originally holding aloof from political organizations of workers thus disappeared. M. Renard, secretary of the Federation of Textile Workers, urged, at the instigation of his union, that permanent relations be established between the two groups. Side by side with the economic struggle, the political struggle, Renard asserted, should be carried on for the purpose of securing labor legislation for the work-

ers. The Socialist party had always proposed and voted for laws having as their object the amelioration of the working class as well as their emancipation, and was therefore the logical party to support.[47] If a revolution were to occur today, he added, the syndicats, with their present organization, would not be able to carry on industry without the use of the governmental machinery, and from this point of view also, the Socialist party was useful to the economic wing. M. Renard declared that he had no intention of introducing politics into the union. Politics had already been introduced. Whenever an anti-militarist resolution was urged before the syndicats, when electoral abstention was preached, there was politics.[48]

Both reformist and revolutionary elements, however, fought the resolution. The Textile Federation was defeated by a vote of 724 to 371 and the C. G. T. declared itself "independent of all political schools." In the declaration of principles adopted at the congress, it declared for a day-to-day struggle for better conditions and maintained that the syndicats were preparing the way for the emancipation of the workers to be realized only by the expropriation of the working class. The congress again commended the general strike as a means to that end and declared that it regarded the syndicat as the future basis of social organization. Every syndicalist was free to participate outside of his organization in any political movement he deemed best, but he was not to introduce his ideas into the union.

The 1910 Strike and Aristide Briand.—Strikes and rumors of general strikes and frequent arrests characterized the years of 1907 to 1909. On October 10, 1910, a railway strike started on the system Paris-Nord. The following day the strike committee ordered a general railway strike, and on the twelfth the Western division went out. Briand, former ardent advocate of the general strike, then in the ministry, arrested the members of the committee and placed the railway men under the colors, thus establishing

[47] XV *Congrès Corporatif* (Amiens, 1906, pp. 135-6).
[48] *Ibid.*, p. 165.

a condition of martial law. Although a second strike committee took the place of the first, the back of the strike was broken. The new committee failed to function energetically and there was little response to the strike appeal from the workers on the eastern and southern railway divisions. By the end of the week the strike was practically abandoned, and, on October 18, the committee ordered that work be resumed.

The revolutionary members of the Confederation attributed the defeat to the hesitating tactics of the reformist leaders, while the latter maintained that the action of the left wing in ordering the strike on the northern railways was too hasty. The defeat was a definite blow to the prestige of the Confederation, although it had not been directed by this body.

During the succeeding years before the War, the Confederation conducted a campaign against the inadequate old age pension act, against the wave of militarism and nationalism that swept the country following the Agadir incident in the summer of 1910, and for shorter hours. The growth of the national unions during the decade far outdistanced that of the bourses, and, at the end of the period, the national unions were consequently far more powerful in the Confederation than were the bourses.

During these years, the syndicalists' philosophy also gained adherents among the workers in some of the other countries, notably in Italy and Spain. In the United States, the Industrial Workers of the World held much the same general point of view.

The War, however, put a temporary quietus on the syndicalist movement. Hervé, the militant anti-patriot, and other leaders of French syndicalism, became a part of the war machine and, following the War, there developed a sharp cleavage between the communists who gave their adherence to Moscow and the pure and simple syndicalists who refused to have a political party, no matter how revolutionary, dictate their policies. Many of the old syndicalists, formerly regarded as the revolutionists, were now attacked as conservatives. Undoubtedly the communist

movement deprived the syndicalists of some of their most active spirits, and captured many of the younger men who would otherwise have joined their ranks.

Reasons for Syndicalism in France.—Many reasons have been given for the remarkable growth of syndicalism among the workers in France during the last years of the nineteenth century and the opening years of the twentieth century.

The youth of the trade union movement in France (it had only been rendered a legal movement in 1884); the small scale on which industry is conducted in France as compared with other industrialized countries; the French tradition of insurrection and of change by quick, sudden revolt, centering in the capital city; the historic demand—found in much of French literature for generations—of an economic freedom based on the very considerable influence of the anarchist philosophy and their concept of a society of free groups or communes; absence of tyranny in the workshop; the conspicuous betrayals of the workers by brilliant leaders who began their careers in parliament as socialists (among them Briand, Millerand and Viviani), and ended as opponents of labor; the dominating place occupied by "intellectuals" in the political working class movements and proletarian reaction against this domination; the poverty of the trade unions and their inability to finance long, drawn out strikes; the psychology of the French workers—the fact that, on the one hand, they "lack method, persistence and foresight," while, on the other, "they are sensitive, impulsive and combative";[49] and the penchant of the French for finding a fundamental philosophic justification for their actions which the necessities of the moment dictate—have all undoubtedly played their part in the adoption of syndicalist tactics and philosophy by such a large proportion of French trade unionists.

Socialist Criticism of Syndicalists—Place for Parliamentary Action.—Socialists criticize syndicalists both on the ground of tactics and of ultimate ideal. They main-

[49] X *Congrès National Corporatif*, p. 203; XII *Congrès National Corporatif*, pp. 15, 29, 44.

tain that, while independent working class political action has its dangers, economic action has also its dangers, but that both, taken by and large, can be used with very powerful effect by the workers. It is said that parliamentary leaders of working class parties become compromisers; so do leaders of trade unions, declare socialists, if they desire to retain their leadership. In fact, with thousands of followers on strike, faced with starvation, more pressure, they maintain, can often be brought to bear on a trade union leader to compromise in the settling of disputes than on a political leader advocating a particular law in a legislative chamber. While political leaders have deserted the working class, the trade union leaders who have betrayed the interests of labor are not few in number, and as much "politics" can be observed in the average union as in a political party. Representatives of socialist parties in the legislative chambers, socialists assert, can generally be depended upon at the least to fight for labor freedom of action during trade disputes. They can be relied upon to favor labor legislation which protects particularly the weaker elements among the working population; to utilize the power of taxation to lessen the inequalities of wealth; to support public services for the social well-being and to work for the socialization of important industries.

Socialists have never relied, however, on parliamentary action alone for social advancement. They have ever sought to organize the workers in trade and industrial unions and in cooperative organizations and to educate the workers regarding their fundamental problems, as well as to mobilize them in political movements. All legitimate agencies, they believe, should be used by the workers in their struggle for a better life. The economic weapon, they admit, has certain advantages over the political. On the other hand, the hard won political weapon has advantages over the economic. For one thing, under universal suffrage, workers and capitalists are put on a par as far as actual voting is concerned. Each has one vote and one vote only. As the workers are in a majority, they can by proper cooperation ultimately gain control of the legisla-

tive assemblies. There are, to be sure, many obstacles in their path, but the task of winning a majority is not an impossible one. Furthermore, it costs in time, effort, and physical discomfort far less to vote than it does to strike for better conditions. In each case sacrifice is required, but as a general rule not such great sacrifice in the political as in the industrial field.

Intellectuals, it is true, have been excluded more from syndicats or trade unions than from working class political parties. But, declare socialists, they have a distinct contribution to make to the movement for the emancipation of the workers, and the working class is the gainer if it provides some agency through which the brain workers can effectively serve labor. Many of the most important leaders in working class thought and action have been the so-called "intellectuals," and a very large proportion of the attacks hurled against domination by the "intellectuals" as such have come not from the workers but from lesser "intellectuals" striving to gain popularity among the workers. Besides, with the evolution of trade unions, "intellectuals" are being called upon to an ever increasing extent to serve labor in numerous capacities.

As for the defects of universal suffrage, two schools of thought have developed—the socialist and communist. Many socialists admit the present defects of the democratic method as now operated. They believe, however, that a number of these defects can be remedied by "more democracy"—the application of the initiative, referendum, recall and other democratic safeguards; greater educational opportunities, a more careful discrimination as to problems which should be settled by experts, and by the mass of voters, etc.

Sabotage and the General Strike Criticised.—Various points of view have been held in the socialist movement regarding the use of sabotage and the general strike. Individual socialists have severely condemned the use of sabotage as a working class weapon on the ground that the secret and underhanded methods of warfare and the constant effort at deceit entailed in certain forms of sabotage

have a vitiating effect upon the morale of the workers, and that practise of sabotage against employers is likely to lead to the use of the same weapon between various factions of the working class movement. J. Ramsay Macdonald urges this position:

"Society is in process of change, and the workers who are toiling for greater justice are only retarding progress by following the wrongdoing of which they are victims, rather than strengthening the social tendencies which make for their emancipation. The creative vitality of society is neither expressed nor strengthened by sabotage, riots, destruction of industrial capital, or any one of the other minor violences of the syndicalist program." [50]

While believing in the strike as an important means of working class progress, socialists do not feel with the syndicalists that every strike is of positive value to labor. Many a strike, entered upon at an unstrategic moment, with inadequate preparation and for unwise ends, has had a profoundly depressing effect upon the labor movement. It is true that, in the early stages of a union, when the organization has little or no money, it is often better to strike and to depend upon financial support from other labor groups and the general public than not to strike at all. However, most socialistic unions of the present day will agree that a large "war chest" is often a powerful aid both in securing a settlement before a strike is declared, and in winning a victory after the men have stopped work; that, while other organizations might generously aid a union without money in their treasury, such aid cannot be depended upon and should be regarded merely as a desirable supplement to financial assistance given strikers by their own organization. The spectacular tactics worked out by syndicalists to attain their end in the French unions, furthermore, are more adapted to unions located in Latin countries than in countries where the workers come from the less emotional northern stocks. Furthermore, with the development of large scale production, and the pitting of

[50] Macdonald, *Syndicalism* (Chicago; Open Court Publishing Co.), pp. 52-3.

labor against vast aggregations of capital, the guerrilla warfare methods of the syndicalists are not likely to prove effective. A different kind of industrial statesmanship is required.

Socialists frankly differ as to the efficacy of the general strike in bringing about the revolution. The difficulty they see in such a strike is that, in attempting to paralyze industry and starve the capitalists, the working class is likely to starve itself first. Such a strike is also likely to alienate many outside the immediate ranks of organized labor, to split up, rather than to solidify, the ranks of labor, to bring the whole weight of the capitalist state to bear on those in leadership, to develop into violent combat, and, if not successful, lead to a violent reaction.[51] In capitalist countries where the chief power is not concentrated in one or two industrial centers, and in countries where the industrial system is highly developed and complex, its success is likely to be considerably less than in other lands. At least the hope of the revolution should not be based on the success or failure of the general strike. Rather the workers should put their reliance on the development of economic forces, the increasing power of the workers in municipal, state and national councils, the ever more effective organization of trade and industrial unions, the assumption of increasingly important functions by labor in the workshops and in the field of cooperative distribution, the growth of public services at the expense of private enterprise and the development of the socialist way of looking at things among an ever larger circle of the population. The general strike may be utilized as a deliberate effort or as a more or less spontaneous movement, to supplement these other forces, and may, at the critical moment, when other forces are ripe for a change, be exceedingly effective. But the workers are likely to be sorely disappointed if it is regarded as the one means of social salvation.

Since the general strike failed to materialize in France at various periods when the syndicalists confidently ex-

[51] *Ibid.*, Ch. VIII.

pected its occurrence, the French syndicalists now look forward to it as a much less immediate means of salvation than in the days before the World War. On the other hand, the effectiveness of a stoppage of work in strategic industries in Russia during the revolutionary crisis, the use of the strike in portions of Germany during the attempted *coup d'état* engineered by Kapp, in preventing the return of the monarchy to power, and the 1926 strike in Great Britain in aid of the miners, among other partial or complete general strikes, have led to renewed interest in the general strike as one of the agencies of revolution.

Socialist Criticism of the Syndicalist Ideal.—Socialists criticise the syndicalist picture of the future social order, as far as syndicalists have sought to depict a new order. Too much attention, socialists maintain, has been given to the rights and responsibilities of producers; too little, to those of consumers. Too much emphasis has been put on control by the local bourses; too little on control by national units. That the syndicalists have begun to realize this is indicated by the resolution passed at the Syndicalist Congress at Lyons in 1919, favoring the "industrialized *nationalization* of the great services of modern economy: land and water transport, mines, water power, and credit organizations," and defining *nationalization* as the transfer of national property to the control of interested parties, namely, the associated producers and *consumers.* This pronouncement brings the syndicalists much nearer to the socialist position than in former years. Yet, despite this pronouncement, the general tendency of syndicalism has been to ignore the consumer and to favor the smallest unit as the basis of social organization. Macdonald also calls attention to the fact that it is the craft and not the work shop that under syndicalism is regarded as the social unit in control. He points out that the workshop today is not the scene of the activity of one craft, but of many. Self-governing crafts can never be "unless the shadow of Time is to wander back reversely over the dial, and the middle age come again."[52] Even should the control be centered

[52] *Ibid.*, p. 59.

in the workshop, rather than in the craft, the social problem would not be solved, as the workman cannot be depended on to keep the national or international interests constantly before him when working under conditions which make decisions in his own interests easy.

The socialist, as has been indicated, believes that an all-inclusive political organization is necessary—whether it is called a state, a commune, or what not—for the conduct of functions that must be performed for all the people as residents of a community—functions involving the health, education and recreation of the community, the prevention of crime, the raising of taxes, the adjusting of relations with other countries, etc. Furthermore they contend that no adequate provision is made for the successful performance of such functions under a syndicalist society. Socialists also seriously question the moral value of violence praised so highly by Sorel, the desirability of laying so great an emphasis on the negative side of the class struggle and the primary need of action, rather than thought, in the onward march toward a new order,

Influence of Syndicalism.—The syndicalist movement, however, has had a very great stimulating influence on socialist thinking and has been of vital service to the movement in calling attention to the defects of democracy, the dangers of parliamentarism, the inadequacies of a type of bureaucratic "state socialism," the possibilities of the trade union movement, the manifold weapons at the disposal of labor during trade disputes, and the importance of the producers sharing in the control of a new social order. It has led to the development of a new school of socialist thought, guild socialism, as a compromise between the older socialism and syndicalism and undoubtedly its imprint can be seen in the communist movement, with its emphasis on the importance of the militant minority, with its scorn for democracy, its faith in the *coup d'état* methods of social change, and its insistence on control by soviets of workers.

We will next turn to the school of guild socialism.

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CHAPTER XXIII

GUILD SOCIALISM

Formation of the Independent Labor Party.—We again find ourselves in England in the days immediately before and following the World War. A new phase of socialist thought has begun to take root. It is named guild socialism. We left England in the eighties when the Fabian Society was first formulating its theory of socialism and the socialist state. Between those days and the definite launching of the propaganda of guild socialism about the year 1912, the socialist movement had become a vital factor in the life of the community. The formation of the Social Democratic Federation and the Fabian Society in the eighties had been followed by the election in 1892 of Keir Hardie, the British miner, to the House of Commons as an independent labor candidate and by the formation one year later by Hardie and others of the Independent Labor party, with a view to bringing the socialist message before the British people in a manner which they could understand. The aim of the Independent Labor party was the collective ownership and control of the means of production, to be achieved through parliamentary action, social reform, protection of labor and democracy in local and central government. Its platform did not differ to any extent from that of the Social Democratic Federation, but its attitude toward the trade unions was more sympathetic, and in its active work among the trade unions its speakers usually avoided mention of revolution, class warfare and Marxian concepts in general, and approached the problem more from the ethical, non-conformist and democratic point of view which appealed to the British workmen.

The Labor Representation Committee Formed.—J. Ramsay Macdonald soon joined this party, and, during the

remainder of the nineties, the Independent Labor party devoted its chief efforts to winning the trade unionists for independent political action. It made headway and, in 1899, the Independent Labor party, through an executive of the Railway Workers, secured the passage of the following resolution in the Trade Union Congress:

> This Congress, having regard to the decisions of former years, and with a view of securing a better representation of the interest of labor in the House of Commons, hereby instructs the Parliamentary Committee of the Trade Union Congress to invite the cooperation of all the cooperative, socialist, trade union and other working class organizations jointly to cooperate on lines mutually agreed upon in convening a special congress of representatives from such of the above named organizations as may be willing to take part, to devise ways and means for the securing of an increased number of labor members to the next Parliament.

This resolution, passed by a vote of 546,000 to 434,000, laid the foundation for the British Labor party. A committee was appointed in pursuance of the resolution, consisting of four members of the Parliamentary Committee, a liberal, a radical and Fabian, a social democrat and a fourth with socialist leanings. Two members each were also selected from the Independent Labor party, the Social Democratic Federation and the Fabian Society. They were Keir Hardie, J. Ramsay Macdonald, Harry Quelch, H. R. Taylor, George Bernard Shaw and E. R. Pease (secretary of the Fabians). The socialists were in the majority on the committee, and were far superior to the trade unionists in intelligence, knowledge and energy.

The committee decided to call a conference to consider what future action should be taken, and, on February 27 and 28, 1900, the conference met in London, with 120 delegates present representing over a half million workingmen belonging to trade union and socialist organizations. The conference favored the support of candidates for Parliament who belonged to the organizations represented on the committee. Before adjournment it appointed a Labor Representation Committee of seven trade unionists, two members of the Independent Labor party, two of the Fabian

Society and two of the Social Democratic Federation. Ramsay Macdonald was elected secretary and immediately set to work to enlist the sympathies of the trade unionists in the work of the Labor Representation Committee. In September, 1900, at a general election, the Labor Representation Committee placed fifteen candidates in the field, of whom two, Keir Hardie and Richard Bell, were successful.

The Labor Party Victory of 1906.—Interest in the work of the Committee increased due, to no small extent, to the influence of the Taff Vale decision, which permitted the courts to levy upon trade union budgets for damages caused to employers by strikers during trade disputes. In 1902, David Shackelton, a trade unionist, was elected to Parliament, at a special election, and the following year Arthur Henderson and William Crooks joined the ranks of Labor M.Ps. In 1903 the railway union paid to the Taff Vale Company under a court decision 23,000 pounds and judgment, was delivered against the South Wales miners for 50,000 pounds. This created further unrest in the ranks of labor who felt that their treasuries might be entirely wiped out if this precedent were followed. The Conservative government, absorbed in discussions over tariff reforms and the Anglo-German situation, made no attempt to amend the trade union law.

In January, 1906, came the next general election. The Labor Representation Committee placed fifty candidates in the field, and, to the surprise of England, elected twenty-nine out of the fifty, and polled a total vote of 323,000. The Miner's Federation was the only one of the larger unions which remained outside the folds of the Labor Representation Committee, although it came in a few years later, and increased labor's forces in Parliament to 40. The Committee thereafter went by the name of the British Labor party.

The Achievements and Failure of the Labor Group (1906–14).—The labor election was the sensation of the year, and, as a result, the interest in socialism increased enormously. No sooner did Parliament meet than the Labor party forced through the Trades Disputes Act, often

called the *Magna Carta* of British labor, extending to labor, as it did, the right of picketing and boycotting and freedom from collective responsibility for damages incurred during a trade dispute. This quick result led the labor and socialist forces to cherish high hopes of the labor group forcing through other legislation in behalf of the worker. However, these hopes were doomed to disappointment, and from that time until the beginning of the World War few fundamental reforms were achieved.

This failure of great accomplishment was due in considerable part to circumstances beyond their control. The months following the passage of the Trades Dispute Act were months of economic depression. Unemployment was widespread and prices were rising. England was feeling the results of the inflation following the Boer and Russo-Japanese wars, the increased world production of gold and the competition with Germany. The Labor group was in a small minority and its more radical proposals had no chance of passage. Parliament ignored its efforts to relieve the unemployment problem and labor's efforts in this direction were not so constructive as they might have been. The party was handicapped in a sense by having no legislative program to which it had been definitely committed. The viewpoint of many members of the group was more liberal than socialist. The Irish Home Rule, the Suffrage and the Welsh Disestablishment Bills were for several years before Parliament, having been regularly vetoed by the House of Lords, and the Labor Parliamentary group was anxious for the time being to keep the Liberal party in power in order to secure final passage of these bills. The Labor group likewise supported several other Liberal bills, and worked at times in close cooperation with the Lloyd George group. This situation led to growing criticism from the socialist wing of the labor movement, and among many a growing skepticism as to the value of political action. A definite swing of the pendulum toward industrial action took place and, in the trade union field, a veritable strike fever waged, for wages must be raised proportionately to the increase in the cost of living.

Forces Contributing to Guild Socialism.—It was during this period that the guild socialist movement, with its ideal of a social order mid-way between syndicalism and the older socialism, with its emphasis on producers' control and its criticism of programs favoring too great a development of state functions, began to take root.

The guild socialist school of thought was a resultant of the political and industrial situation just outlined, and of various other forces. These included:

1. In the nature of the case, the general socialist movement, with which most of the guildsmen had been closely identified. The socialist attack on the wage system and its advocacy of a system of production not based on profit were fundamental to the guild philosophy.

2. The influence of John Ruskin, Thomas Carlyle, William Morris, and others who detested the ugliness and monotony of machine production and who regretfully looked back to the time when the independent guildsmen of the Middle Ages took pride in creative work and produced the great art for which the Middle Ages were famous.

3. The French syndicalist movement and the theories of the American Industrial Workers of the World, with their bias against the state and against political action, and their shibboleth of "all power to the producer."

4. The writings of such anti-collectivists as Gilbert K. Chesterton and Hilaire Belloc who saw in much of the recent collectivist legislation in Great Britain the beginnings of a "servile state," and who proposed as their ideal a "Distributive State" largely composed of peasant proprietors, where the "instinct of ownership" would be satisfied. These writers maintained that much of the collectivist legislation, by making the workers physically comfortable, was rendering capitalism endurable, and that it was at the same time restricting the freedom of trade union action. Would a strike, they asked, be permitted in a state-owned industry? This question was given special point in 1907 by the attitude of the Fabian Society in approving the treaty which Lloyd George "imposed upon

the railroad industry'' in his attempt to settle a threatened railroad strike. ''In the case of the nation's principal means of land transport,'' declared the Fabians, ''resort to the characteristic trade-union weapon of the strike'' was ''such a national calamity that no responsible statesman could now-a-days treat it as a private matter. . . . The nation can no more afford to let the railway industry be interrupted by the claims—however just—of the railway workers, than by the obstinacy—however dignified, of the railway directors.'' [1]

5. The school of anti-state political philosophers, led by the Reverend J. N. Figgis, who was engaged in exploding the ''myth'' of the sovereignty of the state.

In his writings, Father Figgis maintained that there were certain associations residing in the state—churches, trade unions among them—whose interests were independent of the state, and whose personalities were inviolable by state authority.[2] The state ''could recognize and guarantee . . . the life of these societies—the family, the club, the union, the college, the church; but it no more created life than it created the individual, though it orders his birth to be registered.'' Consequently, ''the theory of sovereignty, whether proclaimed by John Austin or Justinian, or shouted in conflict by Pope Innocent or Thomas Hobbes, is in reality no more than a venerable superstition. . . . As a fact it is as a series of groups that our social life presents itself, all having some of the qualities of public law and most of them showing clear signs of a life of their own, inherent and not derived from the concession of the state.'' [3] Political authority, in brief, is ''an association, not a lordship.''

In this view Father Figgis followed the historian Maitland, who had maintained the thesis that other groups than the state possessed legal personalities. It was not a far cry to the conclusion that associations residing in the state

[1] Letter in *New Age,* Dec. 7, 1907.

[2] A series of articles in the *New Age,* afterwards appearing in book form, in *Churches in the Modern State* (London: 1914).

[3] *Ibid.,* p. 224.

should not only be able to preserve their personalities inviolate from state encroachment, but also should be permitted to assume new duties at the expense of the state. This is what the guild socialists attempted to prove. Figgis' lectures, appearing at the time that the guildsmen were finally formulating their doctrine, had a distinct influence on guild thought.

The guildsmen, following the first formulation of their theory, were also influenced by the "functional principle" theory enunciated by the Spanish journalist, Señor Ramano de Maeztu, a theory which maintained that there are no natural rights, but only "objective rights," conditional upon performing some useful function by the individual or group claiming them.[4] R. H. Tawney later elaborated on this theory in his *The Acquisitive Society*,[5] insisting that property should be "functional" and that industrial control should pass out of the hands of functionless owners into those of the workers who rendered actual service.

We might mention also the influence on the later guildsmen of J. M. Paton's theory of "encroaching control," with its demand that the employer be gradually pushed out of the control of industry through aggressive trade union action and of the Major Douglas' credit scheme, for the acquiring by labor of the credit resources of the country.

Reckitt and Bechhofer thus succinctly summarize these various currents which went into the making of the guild movement:

"We should find the craftsmen's challenge and the blazing democracy of William Morris; the warning of Mr. Belloc against the huge shadow of the servile state and, perhaps, something also of his claim of the individual's control over property; the insistence of Mr. Penty on the evils of industrialism and its large scale organization, and his recovery and bequest to us of the significant and unique word 'guild.' We should find something of French

[4] See de Maeztu, *Authority, Liberty and Functions in the Light of the War* (London: 1916).

[5] Tawney, R. H., *The Acquisitive Society*, London: Bell, 1924.

syndicalism, with its championship of the producer; something of American industrial unionism, with its clear vision of the need of industrial organization; and something of Marxian socialism with unsparing analysis of the wage-system by which capitalism exalts itself and enslaves the mass of men."[6]

The Guild Leaders.—Four personalities stand out above the others in the formulation of guild theory. The first of these is A. J. Penty, architect, called by some the "original guildsman," designer of garden cities, a former Fabian and I. L. P. member, who came to the social reform movement by means of the road of John Ruskin and William Morris, who sought with them the restoration of the architectural beauties of the Middle Ages, and whose *Restoration of the Guild System* in 1906 foreshadowed many of the characteristics of the guild socialist theories.

In the second place there is A. R. Orage, a fellow of Penty's in the socialist movement, editor of the *New Age*, the brilliant "center of educated revolutionary activity," and collaborator with S. G. Hobson of the articles on national guilds appearing in that journal, which placed the theory of guild socialism in the forefront of discussion. A third personality is S. G. Hobson, the "veteran" of the movement, journalist and socialist propagandist of many years standing, who largely formulated the guild socialist theory and provided it with its Marxian economic basis. Fourth, and by no means the least, is that *enfant merveilleux*, as he has been called, G. D. H. Cole, the keen-minded Oxford fellow, who, while not joining the movement until 1913, proved to be its most effective and prolific thinker and popularizer.[7]

Guild Propaganda Begins.—The first attempt to conduct propaganda work for the general idea, then in a rather nebulous stage, may be said to have started with the organization of the Guilds Restoration Movement in

[6] Reckitt and Bechhofer, *The Meaning of National Guilds* (N. Y.: Macmillan, 1919), pp. xiii-xiv.

[7] See Niles Carpenter, *Guild Socialism* (N. Y.: Appleton, 1922), pp. 81-90.

1906. The appearance of the Hobson-Orage articles on the subject in 1912 gave the idea its official send-off, while the formation of the National Guilds League in 1915, following Cole's unsuccessful attempt to commit the Fabian Society to guild socialism, and his organization of the Guild Socialist Propaganda Society, translated the idea into an effective movement.

The objects of the League were stated as "the abolition of the wage-system, and the establishment of self-government in industry through a system of national guilds working in conjunction with the state." The words, "a democratic state" were afterwards inserted, and, at the 1920 conference of the League, the word "state" was omitted altogether, and the phrase, "other democratic functional organizations in the community," substituted therefor. The League propaganda was to be conducted, according to its constitution, by means of lectures, meetings and publications.

In brief the guildsmen urged wholeheartedly the Marxian demand that the wage system should be abolished. To them the wage system was bad economically, morally, psychologically, aesthetically, and spiritually. It meant dishonest and inartistic work. It produced a slave state of mind, which the worker carried over with him into his social and political life. It suppressed the creative instinct in labor, his instinct to own and control, and it substituted for the system of production for service, a system designed to grind out profits for the absentee owners, irrespective of the desires of the consumers or the needs of the producers.

Positively the guildsmen aimed at "self-government in industry," a self-government for the worker which would give him an opportunity to develop his personality, and which would at least assure to him as a minimum:

"1. Recognition and payment as a human being, and not merely as the mortal tenement of so much labor power for which any efficient demand exists.

"2. Consequently, payment in employment and in unemployment; in sickness and in health alike.

"3. Control of the organization of production in co-operation with his fellows.

"4. A claim upon the product of his work, also exercised in cooperation with his fellows."[8]

The Functional Principle Applied to Industry.—Many also seek to incorporate the "functional principle" of society into the industrial structure. Men, Cole and others contend, organize various groups to carry out particular functions in which they are interested. They establish churches, trade unions, clubs of various sorts, cooperative societies, municipalities. These should not be regarded as subordinate to an "omni-competent" state, but should remain relatively independent of each other, cooperating with, but not under the authority of, any so-called sovereign entity. Only through such cooperation can the best results be attained. To be sure, the state or the commune has certain functions to perform, including that of police and fire protection, functions which affect all men equally as they reside in a community. But this fact gives it no claim to primacy over other functional groups. It follows from this reasoning that true democracy does not begin and end with voting on election day, but resides in the functioning of every organization which vitally affects the life of the citizen. It follows that the state is not in a position to dictate to a trade union, a guild or any other economic organization, but that each is sovereign within its own sphere; and that the worker should participate in the election of the officials in his industry in the same way as in the election of city officials. As we shall see later, this principle is not adhered to universally by the guildsmen, but seems to have the majority support.

The Guild Commonwealth.—While the guildsmen disclaim any desire to build a utopia, they nevertheless have drawn up rough outlines of their future guild system to give their theory more definiteness. As there is considerable difference of opinion regarding many of the desirable features of a guild society among the leaders of the guild

[8] Cole, *Self Government in Industry*, p. 155.

movement, and as these leaders themselves change their concept of an ideal society somewhat frequently, no complete picture of the guild ideal can be here portrayed.

Characteristics of a Guild—Inclusiveness, Responsibility, Monopoly.—Practically all guildsmen, however, are agreed that the unit in the guild socialist society should be the guild. The guild is defined as "a self-governing association of mutually dependent people organized for a responsible discharge of a particular function of society."[9] The guild, within the definition of the guildsman, has several important characteristics. It includes *all of the workers* in an industry, trade or profession, in so far as such is "guildized"—the managerial and technical staff as well as the manual workers; the salariat as well as the proletariat.

It would be *responsible* and be given virtual autonomy within its own sphere, so long as it performed its function satisfactorily. On this point the guildsman is insistent. Those who are doing the actual work should be responsible for its direction, if waste is to be avoided and work is to be done well. Standards of "ethics" and "honor," the guildsman believes, could be maintained in industrial effort, as they are today in part in the teaching and other professions, if industry should "cease to be conducted by the agents of property owners for the advantage of property owners, and should be carried on instead for the service of the public" and if "the responsibility for maintenance of the service should rest upon the shoulders of those, from organizer and scientist to laborer, by whom, in effect, the work is conducted."

A third characteristic of the guild, in the eyes of the majority of guildsmen, is *monopoly,* although in some cases the guild socialists provide for a "fringe" of enterprises free from guild control.

Democracy in the Guild.—Furthermore, the guild should be *democratically run.* Democracy does not mean, according to Cole, that mass votes would be taken on every move in the productive process. "A mass vote on a matter of

[9] Orage, *An Alphabet of Economics,* p. 53.

technique understood only by a few experts would be a manifest absurdity, and even if the element of technique is left out of account, a factory administered by constant mass votes would be neither efficient nor at all a pleasant place to work in." [10]

As for the leaders under the guild system, they will of course be elected by the guild itself. "But this does not mean that every type of leader must be chosen by a mass ballot of the whole guild." Officials employed to perform a function essentially technical are not leaders but rather consultants and advisers and their appointment does not raise the issue of democratic control. On the other hand, for those who are to direct their fellows, "the only right principle is that the person who is to perform it [the function] should be chosen by those in cooperation with whom it is to be exercised. That is to say, the governing principle in the choice of guild leaders will be election 'from below,' by those whom the leaders will have to lead." [11]

However, adds Cole, there should be certain safeguards. Whenever a position requires, in addition to ability to lead, certain qualifications of skill or technique, the possession of those characteristics can be made a condition of eligibility for the position. "A shipowner today can only appoint as captain of his ship a man who holds a master's certificate. The seamen of the future guild will only be able to choose as their captain a man who is similarly equipped."

While Cole is of the opinion that, as a rule, the actual group which an official is to direct should usually choose him, he admits the possibility of other workers in the same calling assisting in the choice. In factories he favors direct elections, while, in larger units, election by delegates might be the better course. The guild socialists admit the enormous difficulties in the way of democratic control, and realize that it must come gradually, but feel that there is in the long run no alternative but to try it, "for the old idea of

[10] Cole, *Guild Socialism* (N. Y.: Stokes, 1920), p. 41.
[11] *Ibid.*, p. 42.

leadership by the imposition of will is breaking down with the old industrial system.'' [12]

Managers and the Guild Regime.—This democratic regime, according to Cole, should make a special appeal to the manager and technician. It is true that under it the manager would not have the uncontrolled power to ''fire'' a worker, for the guildsman ''would insist that a man threatened with discharge should be tried by his peers, and every man would surely have behind him a considerable measure of economic security.'' Nor would he be able as now to ignore public opinion in the factory or the guild as a whole. On the other hand, there would be counteracting advantages. He would have a good prospect—if he did his work well—of having the public opinion of his factory decidedly on his side, in his attempt to make things move smoothly and efficiently. He could look to the workers to cooperate with him in accomplishing the best results. At the worst, he would not find himself in the anomalous position in which he does at present as the nominee of a capitalist employer.

''I strongly suspect,'' Cole adds, ''that the managers in such a guild factory would have no cause to complain of lack of power. If they wanted authority, they would find ample scope for it; but I believe most of them would cease to think of their positions mainly in terms of power, and would, instead, come to think of them mainly in terms of function. Only under the free conditions of democratic industry would the leader find real scope for leadership, and he would find it in a way that would enable him to concentrate all his faculties on the development of his factory as a communal service, instead of being as now constantly thwarted and restrained by considerations of shareholders' profit. There is no class of 'industrious persons,' as the Chartists would have said, to whom the guild idea ought to have a stronger appeal than to the managers and technicians of industry; for it alone offers them full opportunities to use their ability in cooperation with their fellow workers and for the service of their fellow-men.

[12] *Ibid.*, p. 46.

"The guild factory, then, would be a natural center of self-government, no longer, like the factories of to-day, a mere prison of boredom and useless toil, but a center of free service and associative enterprise. There would, of course, be dull and unpleasant work still to be done in the world; but even this would be immeasurably lightened if it were done under free conditions and if the right motives were enlisted on its side." [13]

As for the tenure of the manager, should he prove unsatisfactory to the workers, he should have the right, before he could be deposed, to appeal to his peers—his fellow managers, and if they held that he was in the right, but should the workers still desire his dismissal, the case could go to a higher tribunal of the guild. Should, however, there be a sustained desire to have him go, that would prove the incompatibility of his temperament for democratic leadership in that particular factory, and the workers should have their way.

Types of Guilds.—Guilds, according to the guild socialist, would be divided into industrial and civic guilds, and, some add distributive guilds as well. There would be industrial guilds for transit, agriculture, mines, building, printing, textiles, clothing, food, etc. One writer suggests nine or ten great industrial guilds to administer the economic activities of the community.

The Agricultural Guild.—The various industrial guilds would have practically the same structure, with the possible exception of the agricultural guilds. The latter would probably admit into their membership non-farmers in the small farming villages engaged in small-scale operations ministering to rural needs. Under the guild regime farming on a small scale would probably continue to supplement large-scale agriculture. Many of these small farms would probably remain outside of the guild system, subject in certain respects to guild regulations, and, perhaps, using the guild in part as an agency for purchase and sale, "but otherwise on their own." [14]

The guild system would not interfere with such inde-

[13] *Ibid.*, pp. 47-8. [14] *Ibid.*, p. 151.

pendent farming, except to see to it that the land was being properly utilized and to prevent ruthless exploitation of labor on the farm. In an endeavor to do this, a system might be worked out requiring that labor be supplied only through the guild and under conditions which the guild laid down.

Civic and Distributive Guilds.—Most guildsmen advocate, in addition to the industrial guilds, the organization of civic guilds. These would include, in a general way, the professions of today—the medical or health, the educational, the legal, the dramatic and others. Hobson makes elaborate provision as well for a guild of government employes, among the civic groups, while Cole practically ignores this group. The distributive guild proposed by Hobson would have charge of much of the retail trade, and would contain on its council representatives of the consumers, of the municipal bodies of the area covered by the guilds, and of the productive societies whose goods it distributed. Cole would substitute for the distributive guild a producers-consumers' organization associated with his proposed "commune."

Guild Structure.—The guildsmen seem generally agreed that the guild unit should be the national guild, highly decentralized. Penty and his followers favor the local guild as the unit, on the ground that the basis of the medieval guild was local and that only by restoring local autonomy in industry could the tyranny of machine production be overthrown. The majority of guildsmen, on the other hand, point to the economies of production on a national scale, as in the purchase and marketing of goods; to the fact that trade unions, which might be regarded as the basis of their ideal system, are national; to the improbability of a return to the localized economy existing at the time of the supremacy of the medieval guilds, and to the fact that one should not be fearful of the domination of the machine as such, but of the control of the machine by absentee owners.

The national guild would have under its control such matters as the purchase of raw materials, the securing of markets, the laying down of general policies, as in the set-

ting of standards of workmanship and safety, the conduct of research and the representation of the guild industry in its outside relationships. In actual matters of administration, on the other hand, the local unit, ordinarily the factory, would have very large discretion.

There would likewise be regional guilds to look after the interests of industry in different parts of the country. The local guild would elect representatives to the regional or district guild, and the district guild, to the national organization. The local guild would thus be represented indirectly, not directly, in the national council.

Members of particular trades, furthermore, would be able to express themselves not only through the guilds, but through craft organizations, which might cut across guild borders and have special representation, particularly in the national guilds. Provision might also be made for shop committees for "rank and file" suggestions and criticisms, within the various factories.

In regard to membership in the guilds and expulsion of recalcitrant members therefrom the guildsmen have had little to say. They have given more consideration, however, to the method of paying the members of the guild for their services. Hobson suggests that, at the beginning of each year, an amount be placed aside as the total wage budget of the year for the members of all of the guilds and that a wage fund be allotted to each guild in proportion to its membership, thus applying the *principle of equality in wage payments as between the guilds.* However, that would not necessarily mean that each guild member would receive the same reward. The guild would have full authority to pay unequal amounts to various categories of workers, and would probably do so for some time. Ultimately, it would be the hope of the guild leaders that the principle of equality in payments should be fairly generally applied. As has already been observed, the guildsmen advocate payments in sickness, and during slack times, as the needs of the workers do not cease when, through no fault of their own, they find themselves out of work.

Inter-Guild Relations.—There would of course be a great many business transactions between the guilds. For instance, the clothing guild and the textile guild stand in the relation of buyer and seller. Business relations could be adjusted between guilds partly by means of a system of "interlocking directorates"—that is, the clothing guild could permit the textile guild to appoint a few representatives to sit on its local, regional and national councils—and partly through the holding of numerous inter-guild congresses in which knotty problems of inter-guild relationships would be decided.

The Guilds and the Community.—It is in the relation of the guilds to the community that there is the greatest difference of opinion between guildsmen. This difference is due in large part to the fundamentally different political and social theories held by the various schools of guildsmen. Hobson and his followers, who believe that the state should be the final arbiter, are greatly at variance with Cole, who would eliminate the state, the sovereignty of which he denies and substitute a "commune" in its place.

Independent Crafts.—There are, however, a few miscellaneous relationships between guilds and the community on which the guildsmen are fairly well agreed. They are agreed, for instance, that there will probably be a number of occupations that will not be "guildized," but regarded as independent. These would include journalism, the ministry, the arts, invention. Members of these professions would be largely engaged in free lance work, receiving voluntary support from individual citizens or groups or, as in the case of certain inventors, subsidized by guilds.

Guildsmen are also agreed that private enterprise would probably continue to exist in certain industries, notably in connection with small workshops or handicraft industries. However, the vast proportion of workers would be included in the guild system, while occupations outside of the system would be so regulated as to compel the observance of certain guild standards.

Retention of Right to Strike.—Guildsmen agree that under guild socialism the workers should retain the right

to strike. The possibility of losing that right was one of the considerations which drove many of them to the guild movement. However, the guild community, through its control over the means of production and distribution, would be in a position to institute an economic boycott against any guild whose workers "ran amuck." This possible means of retaliation would, the guildsmen believe, tend to prevent the unwise use of the strike. Besides, most of the causes for striking at present would be eliminated under a guild regime.

Functions of the State or Commune.—In general the guildsmen believe that somebody, representative of the entire community, either the state or a commune, should have charge of such communal functions as the preservation of order, international relations and defense, though some are inclined to the belief that such functions as the consular service carries on should be left to the guilds. Little is said by those outside of the Orage-Douglas credit group regarding currency. Hobson favors labor notes based on labor time and the dropping of the gold standard except, perhaps, in foreign exchange.

Power of Taxation.—Guildsmen are also pretty much agreed that the state, the commune or the guild congress exact from them for the common good any surplus they might have after paying the expenses of the guild and laying aside a sufficient fund for depreciation, improvements, insurance purposes, etc. Such a levy would kill two birds with one stone: it would provide sufficient revenue for community purposes and it would discourage any tendency on the part of the guild to charge exorbitant prices. For what incentive would there be for high prices, adulteration, bad work, restricting output and stimulating demand in illicit ways, if any profits above what was necessary for present and future needs were automatically absorbed by the community?

The Civic-Sovereignty Theory.—Agreeing thus far, the guildsmen tend to disagree as to the kind of agency which would look after the civic interests. Hobson and others adhering to the *civic-sovereignty* theory believe that the

state should still exist; that it should be relieved, however, of most of its active administrative functions—the guilds taking over these—and thus be able to concentrate on its civic interests. It should act as the representative of the individual, in other words, not as consumer or producer, but as *citizen*. According to Hobson, the "sense of nationality operating in the individual consciousness," is the greatest fact in the life of a democratic people. As the greater contains the less, so citizenship contains and comprehends the lesser motives and interests. These motives and interests, important though they may be, must ultimately merge into the will of citizenship, realizing in it the sovereign power. It is not mere rhetoric when we counter 'the sovereign will of the monarch' with the 'sovereign will of the people.' It is a declaration of democracy. It envisages no balance of power; it knows no checks or counterpoises; it is an ultimatum that the will of the citizens, in their civic capacity, shall prevail over every sectional interest, economic or functional. Its decision is the greatest of national sacraments." [15]

Thus the state, accorded the sovereignty power, would hold the final authority over industrial affairs. It would be the owner of the tools of production, and would hand over its property to the guilds as *trustees*, but could require at any time an accounting of the trusteeship. It would also be the final court of appeals in a dispute arising between two or more guilds or between the national guild congress and the community.

On the other hand, the guilds would have complete freedom of action so long as a deadlock did not develop between different guilds. The guilds would be free "to make what goods they pleased, charge what prices they pleased, pay what wages they pleased, and make what provisions for capital they pleased—or could" [16]—except be it repeated, and it is a big exception, that the state would have the power to impose a tax levy directly on the guilds, and thus prevent the exploitation of the community. The guilds

[15] Hobson, *National Guilds and the State*, pp. 102-3.
[16] Carpenter, *op. cit.*, p. 181.

would even be able, according to the program of Hobson, to set up their own bank.

The Guild-Commune Theory.—The guild-commune theory, on the other hand, denies the sovereignty of the state, and almost denies it any function at all. In place of the state, it sets up a "commune" which it places in closer relationship with the guilds than Hobson's citizen state. The commune would be organized locally, regionally and nationally. Each type would be closely connected with the corresponding type of guild.

Objections to the State.—As outlined by Cole, the commune could, in no sense, be regarded as an extension of the present political state. The present state, Cole maintains, following Marx and Lenin, "is definitely an organ of class domination, not merely because it has been perverted by the power of the capitalist, but because it is based on coercion, and is primarily an instrument of coercion. Its essential idea is that of an externally imposed 'order,' and its transformation into a form expressive of self-government and freedom is impossible."

In the second place, Cole continues, the state "is based essentially on a false idea of representative government which assumes that one man can represent another, not *ad hoc,* in relation to a particular purpose or group of purposes, but absolutely." [17]

But "Smith can not represent Brown, Jones and Robinson as human beings; for a human being, as an individual, is fundamentally incapable of being represented. He can only represent the common point of view which Brown, Jones and Robinson must therefore have, not one vote each, but as many different functional votes as there are different questions calling for an associative action in which they are interested." [18]

Not even as an instrument of coordination will Cole have anything to do with the state. For, he contends, the coordination of function is not in itself a function. "Either coordination includes the functions it coordinates, in which case the whole of the social organization comes again under

[17] Cole, *op. cit.,* pp. 108-9. [18] *Ibid.,* p. 24.

the domination of the state, and the whole principle of functional organization is destroyed; or it excludes them, and in this case, it cannot coordinate them.'' [19]

The Commune.—Thus some other form of organization must be substituted. That organization, for lack of a better name, will be called the Commune. The Commune will be thoroughly representative of both producer and consumer. To its councils will come representatives from the industrial and civic guilds, representing the producer. To them also will come representatives of the consumers' viewpoint, who have organized for their protection, as Cole suggests, in cooperative societies—''collective utilities councils''—having to do with the supply of electricity, gas, water and the like; and councils concerned with health, education, drama and music, art galleries, museums, libraries and similar institutions. In addition there might be representatives from certain territories, organized, say, on a ward basis.

Functions of the Communes.—This method of representation would apply to the local commune. The regional commune would be of a similar nature, except that it might give special representation to agricultural guilds. The national commune would be made up of ''the representatives of the national guilds, agricultural, industrial and civic, of the national council, economic and civic, and of the regional communes themselves.''

The communes should be given important duties. These duties might be grouped into five categories:

(1) Financial problems, especially the allocation of national resources, provision of capital, and, to a certain extent, regulation of incomes and prices;

(2) Differences arising between functional bodies on questions of policy;

(3) Constitutional questions of demarcation between functional bodies;

(4) Questions not falling within the sphere of any functional authority, including several questions of external relations;

(5) Coercive functions.[20]

[19] *Ibid.*, p. 108.

[20] *Ibid.*, p. 125.

Most of these functions are self-explanatory, A number of them are coordinating functions. In the final analysis the community should have a say over the prices charged. Under the plan as proposed, should the price of milk be under consideration, the distributive guild, in consultation with the cooperative society representing the consumer, should set the price. If these groups were unable to come to a satisfactory arrangement, the matter would be brought for final settlement before the commune.

The community would also be greatly interested in the capital outlay of the various guilds. For every outlay of new capital means the diversion of productive labor forces from one field to another. It is essential at all times, therefore, for the community to preserve a balance between production for immediate use and production for use in further production, such as the making of machines, the building of railways, etc. And this balance is a matter for civic organizations to decide as well as those representative of consumers and producers. For "if more is spent on economic services, there will be less to spend on education, which needs both incomes for the teachers and labor for buildings, books and equipment of all sorts." [21]

The procedure for determining future improvements and budgets, according to Cole, would be somewhat as follows: Each guild would make out a tentative budget in consultation with other guilds and with the various consumers' councils; the matter would then go before the finance committee of the commune, which would have before it all of the other budgets. This committee would then make suggestions on the basis of the available capital for all industries and the needs of the various guilds and of the community at large, and the final decision would be made by the commune, instead of, as at present, being left "to the blind play of economic forces and the machinations of financiers." [22] Provisions for social services which will be undertaken at the common expense, according to Cole and his followers, will likewise be determined by the commune. As for the commune's power of taxation, that will be exer-

[21] *Ibid.*, p. 129. [22] *Ibid.*, p. 131.

cised by levying the sum approved by that body "in the form of an agreed claim on the labor-power of the guilds." Moreover, any surplus realized by a guild in its annual working would, if Cole's proposal carried, "pass to the commune for its allocation, or be set off against the claim of communal services on the productive guilds as a whole. . . . The commune would clearly control the currency, and the general banking system would also be communal." [23]

In deciding questions of demarcation of functions arising between various guilds, Cole continues, the commune would have to formulate a set of rules or a *constitution* and would in effect become the *constituent assembly or the constitutional legislature of the guild democracy.* It would also have to create a *judicial system* to interpret these laws, but would make sure that this system subordinated itself to the commune itself. The national commune would have the power not only of passing laws, but, in disputed cases, of interpreting them, which interpretation would be binding on the judges. "In a sense the guilds and other functional bodies would also legislate, . . . but they could only do so within the powers conferred by the communal constitution, and any law of a functional body involving coercion should, I think, only become enforceable in the communal courts after ratification by the commune," unless such coercive power had been definitely assigned it by the communal constitution.

The commune would have power of war and peace. It would have control over the military forces. It would serve as supreme representative of the nation abroad, although the trade, commercial, civic and cultural relations would be largely taken charge of by the various guilds and councils. It would have, in the last analysis, power of coercion over individuals and groups, but its aim would be to use that power only as a last, desperate resort, and to create a society "of free service, in the belief not that men must be driven, but that they are capable of leading themselves." Cole acknowledges that the society he has described seems quite complicated, but maintains that it is

[23] *Ibid.*, p. 132.

in reality much less so than the society of today, where groups are organized not so much to fulfill a social function, but to get the best of one's fellow men.

The advocates of the civic-sovereignty theory maintain that Cole, in advancing his proposals for a commune, has merely destroyed a state in order to build a state. For this elaborate structure would be a joint body representative of all the major interests of society. If it were in a position to reach an agreement on problems presented before it, "it would have the substance, if not the form, of sovereignty, including the sanction of coercion, and would, further, through its share in the financial operations of the guilds, have an opportunity of wielding this power in such a way as to exercise a very large degree of control over the most important features of guild administration and policy."[24] Thus the effect of Cole's scheme may be to grant the commune far greater possibilities of interference with group autonomy than would be that of Hobson's scheme, which seeks to endow the state with final sovereignty, but provides few opportunities for its exercise upon the guilds.[25]

Guild Tactics.—As they differ regarding the details of the future state, so guildsmen likewise differ as regards the best tactics to be pursued in ushering in the guild state. They are generally agreed, however, that the main organization that must be depended upon to inaugurate the guild state is the trade union. With the syndicalists, they put little stock in parliamentary action as a means to that desired end.

Political Action Regarded as Inadequate.—Constitutional political action, declares Cole, cannot be relied upon to bring the revolution, "because, in the first place, there is no chance under capitalism of the whole working class voting together, or of a really 'class conscious' majority returning to power a really 'class conscious' government; because, in the second place, this government, if it could exist, would find the change impossible to achieve in less than a century by parliamentary methods; because, in the

[24] Carpenter, *op. cit.*, p. 189. [25] See also Hobson, *op. cit.*, p. 126.

third place, the existing state organization is quite unsuited to the execution of any purpose involving fundamental structural changes in society; and because, in the fourth place, the attempt to bring about the transformation by political means alone would almost inevitably, long before its completion, provoke a counter-revolutionary movement by the governing classes, based on their power in the economic sphere. The period required to convert, in opposition to the whole force of money-directed education, propaganda and pressure, a majority of the people to a habit of sound political thinking is a sufficient reason against the practicability of social transformation by these means; for long before the culmination of the process the present economic system would have fallen in ruins owing to the operation of other causes.'' [26]

The fundamental reason why political methods will not bring about the social transformation, he adds, is because that transformation is not political but economic, and under the capitalist system economic power precedes political power. On the other hand, the guildsman does not declare that political action should be eschewed altogether. In the 1920 Conference of the National Guilds League, the delegates, by a large majority, declared for ''the use of the political weapon to hamper the operations of capitalism and to educate the workers.''

Trade Unions Should Reorganize.—If the chief responsibility for bringing about the social transformation is to devolve upon the trade union, they should equip themselves for this high mission, declares the guild socialist, by a thorough reorganization and a unification of their forces. They must be more than mere trading organizations aiming at an improvement of their conditions under the capitalist system. They must aim at the complete abolition of the wage system.[27] They must heed the message of the French syndicalists and the American I. W. W. and organize the unions on the basis of *industries, rather than of crafts.* Under modern industrial conditions, the complex of craft

[26] *Ibid.*, pp. 160-1.
[27] Hobson, *Guild Principles in Peace and War*, pp. 15, 28.

organizations is utterly unsuited to the task of reconstructing the industrial society.

They must also follow the lead given by the shop steward movement during the war, and form *shop committees,* since such organizations are far more effective in grappling with the problems of industry than are locals organized on the basis of residence.

They must, furthermore, develop a far greater unity than in the past. Trade unions should in fact "be linked up in a *single body* with internally autonomous sections, for the various industries and services, with provision for the full representation of the various classes of workers by hand and brain, and with the workshop or similar economic unit, as the basis of the whole system of administration and direction of policy."[28] Finally, the unions should seek to expand until they virtually possessed a monopoly of the labor market, both among men and women, manual and brain workers. On these points there is little dissent among guildsmen.

Encroaching Control.—Following this reorganization, what next? Encroaching control, say some. For one thing, unions should strive through the "collective contract," to supply all of the workers to the employer as needed; to see to it that no worker is dismissed for misconduct except by the judgment of his peers; to appoint their own foremen and be responsible for shop discipline; to induce the employer to turn over to the trade unions or the works committee a lump sum, to be distributed to the men as wages in any manner the workers saw fit; in short, to take the organization and management of the shop out of the hands of the employers and his nominees, and to transfer it to the workers and to those whom they appoint. This theory of encroaching control was the distinct contribution of the guildsmen to the theory of working class tactics.

In addition to encroaching control, many guildsmen have also advocated that trade unions, once they obtained a labor

[28] Resolution of the National Guilds League, published in supplement to the Guildsman, June, 1920, see also pamphlet.

monopoly, should seek to encroach ever more on the profits of industry, appropriating an ever larger share of these profits to themselves, utilizing the threat of the strike to obtain concessions.

Such control would not bring about the "great transformation," nor would it "give any assurance that profits would be diminished by a single penny." But it would weaken capitalism and "strengthen the workers' hand for that further frontal attack on capitalism without which its destruction is impossible." Having secured complete control in the workshops and learnt how to run the workshops for themselves, the workers would be in a far better position than they now are to tell the capitalist that they are "able to manage industry for themselves, and that they do not propose to allow him to go on drawing dividends at the expense of the community in return for no service at all." [29]

Nationalization.—Some guildsmen advocate as another transitional measure the nationalization of certain industries, on the ground that national ownership substitutes a unified control for control by a large number of employers, and thus tends to make the fight of the workers not so much a fight, as under decentralized private ownership, to bring the worse employer to the level of those who are better, but a fight for workers' control. When, as in the case of the miners, a movement for nationalization is actually on foot, they urge its support "where it includes the concession to the workers of a preponderant control," but only advocate it "in those industries in which it appears to be suitable and convenient." [30] They insist, however, that the road to guild socialism does not necessarily lie through a program of nationalization and some guildsmen are unalterably opposed to state ownership as a transitional step.[31]

Furthermore, they favor the establishment of guilds, of a character similar to the building guilds organized immedi-

[29] Cole in *The Guildsman*, July, 1920, p. 4.
[30] Pamphlet, *The Policy of Guild Socialism* (May, 1921), p. 18.
[31] Douglas and Orage, *Credit-Power and Democracy*, Ch. VI.

ately after the war, which incorporate the spirit of guild socialism. The success of such ventures will prove a valuable object lesson to the workers and open up a "field in which the workers can, without the need for expropriating the present owners, hope to supersede them." [23]

Direct Action and the Guildsmen.—How shall actual transfer of ownership be effected? On this point, again, there is considerable disagreement. A group of the guildsmen favor the use of "direct action," following the syndicalist method. Cole and others, however, are exceedingly skeptical of this method, unless it be resorted to after many more years of education, organization and discipline on the part of the working class. It is not the job of the guildsman, declares Cole, to work for "an early revolution, but the consolidation of all forces on the lines of evolutionary development with a view to making the 'revolution,' which in one sense must come, as little as possible a civil war and as much as possible a registration of accomplished facts and a culmination of tendencies already in operation." [33]

For direct action depends for its success "on the power of the workers, by means of their industrial organization, without first starving themselves out, to hold up the economic mechanism of society for a long enough time to cause the political and economic structure of the present system to fall to ruins." [34]

This, Cole declares, would not be possible except at an exceptionally favorable moment, such as occurred in Russia in 1917. "To overthrow by this means the far stronger capitalism of Great Britain or America would require a very much stronger and more fully awakened labor movement than now exists in either country." The movement must have carried the evolutionary processes of democratic control, which are the necessary precursors of a successful revolution, much farther than they have now gone. For during a revolutionary crisis, the workers "would be confronted with the immediate and imperative necessity of

[32] *Ibid.*, p. 19.
[33] Cole, *op. cit.*, p. 168.
[34] Cole, *Guild Socialism*, p. 165.

occupying simultaneously many thousand strategic points —not merely of seizing power at the center and improvising a provisional government, but of seizing thousands of local civic bodies, of taking over and improvising administrations in many thousands of factories—of learning in a day a thousand lessons of self-mastery and communal service. I do not say that it could not be done; but I say that its doing would be a miracle." [35]

These difficulties, he continues, would be less insuperable the further the workers could carry the evolutionary process without sacrificing their ultimate ideal. "Trade union membership, organization and education, extends and improves the fighting force; development of cooperation improves the rationing facilities; conquest of power in local government simplifies the administration transition and places important economic services in the workers' hands; the extension of trade union control weakens the capitalists' hold of the factories, and helps to teach the workers how to run industry themselves. He who wishes revolution to succeed should hasten toward it slowly, and prepare the way for it by detailed conquests." [36]

Communist Tactics and Guild Socialism.—Following the Russian revolution, many guildsmen, converted to a belief in communism, sought to commit the National Guilds League to the bolshevik method of social change through the capture of the political state, the establishment of the proletarian dictatorship, and, then, after the revolution had been secured, the gradual incorporation of guild principles in industry. The fight over the old tactics as opposed to communist tactics developed to such a point as to threaten at one time completely to overwhelm the League.

At the May, 1920, conference of the League, the matter came up for a vote, and by a slight majority (67 to 55), a resolution was passed welcoming the soviet system as a form of organization which was created by and expressed the will of the workers themselves, but holding that "the exact form of organization required in any country cannot be determined in advance of the situation which calls

[35] *Ibid.*, p. 166. [36] *Ibid.*, p. 167.

it into being,'' and declaring further that the methods of applying here the common principles on which the solidarity with the Russian Soviet Republic is based may differ as widely as conditions here differ from conditions in Russia. Other resolutions endeavoring to commit the League to Russian methods later failed.

Pay for Industry What It Is Worth.—Another method for getting control of industry is suggested by S. G. Hobson. The workers, he maintains, should strive to form a labor monopoly, organize in guilds and then go to the owners of industry and say: '' 'We want your factory.' The owner replies that his profits on the factory amount to 5000 pounds a year. At 5% this represents a capital value of 100,000 pounds. The guild replies: 'We know nothing of capital value—that went with the wage system. Your factory is worth to us exactly what we should lose in time and labor in constructing a similar factory. In terms of money that would be 15,000 pounds. But we will not pay you in money. We will make you a yearly allowance over a term of years, or a pension. That is all it is worth to us; our decision is final; let us know your decision by this day week.' '' [37] And on a similar basis it would make an offer for the land on which the factory stood. If it paid more, the labor monopoly would be robbed of the advantages it had painfully won by its economic conquest. Other proposals on compensation are for terminable annuities, extending over two generations.

Major Douglas and Credit Control.—In the previous discussion of guild socialism little has been said concerning the new philosophy of credit control formulated by Major C. H. Douglas, an engineer and accountant.[38]

This plan in theory has little connection with the guild philosophy. However, despite its vagueness and abstruseness, it has captured the imagination of many of the former leaders of guild socialism, including Orage, who edited the *New Age,* on the ground that it furnishes an admirable

[37] Hobson, *National Guilds and the State,* p. 288.

[38] Major Douglas served during the World War as Asst. Superintendent of the Royal Aircraft Factory at Farnborough.

scheme for "bridging over without social catastrophe the interregnum between capitalism and industrial democracy."

Prices Keep Ahead of Consuming Power.—Its thesis is briefly as follows: Today, under our capitalist order, the issuance of credit is monopolized by a few financiers. As a result of this concentration of control, prices inevitably increase at a faster rate than does the purchasing power of consumers.

One of the reasons for this lies in the fact that credit is issued in advance of production and is distributed, spent, and returned to the banker as deposits before the ultimate goods in respect to which it was issued are available. When these goods are finally placed on sale in the market, most of the purchasing power distributed on account of their production has been reabsorbed by the bankers. "The *price* of the goods, however, includes all the *costs* represented by these previous advances in capital. Consequently, prices of goods *always are greater than the purchasing power available to buy them.*" [39]

Further, this advance issue of credit progressively inflates the currency of the country. "That is, credit is issued; purchasing power distributed; and the price level correspondingly raised—all *before* the goods, in respect to which this happened, are marketable. Moreover, there is never a chance to 'catch up,' for, as soon as the goods presented by one increment of purchasing power finally do get into use, the whole process has been started over again. Thus, *prices in general keep going up faster than wages, salaries and dividends all together* can possibly increase." [40]

As a result of this situation a badly balanced and wasteful distribution and consumption of wealth follows. Financiers use their vast reservoir of purchasing power in buying luxuries, in producing anti-social commodities such as war, in overdeveloping industry and in creating new markets over which they can extend their dominion, thus sowing the seeds of new wars. The recipients of wages,

[39] Carpenter, *op. cit.*, p. 152.
[40] *Ibid.*, pp. 153-4.

on the other hand, practise sabotage and adopt restrictive trade union rules.[41]

Douglas' Method of Price Fixing.—The cure of the present situation is to be found in four different directions: (1) the regulation of prices in such a way as to enable the home consumer to purchase the goods that the producing machinery can supply; (2) the placing of the control of credit and industrial policy in the hands of the community; (3) the establishment of as wide a degree of workers' control over the administration of industry as is consistent with the general good; and, (4) the distribution of the common product by means of a "social dividend," rather than through the payment of wages or salaries.

Producers' Banks.—As a means of carrying out his ideas, Douglas proposes the establishment of producers' banks in each industry or group of industries in which all persons engaged in the industry would be shareholders *ex officio*. These banks should be established by trade unions. Ability of a trade union to go into the banking business and issue credit-currency would be based on the proposition that labor control was an essential element in real credit, and that a powerful trade union, controlling the labor power of an industry, should be able to issue "financial credit" upon the security of that labor-power as readily as the capitalist today can issue such credit by virtue of his ownership of the physical properties of an industry.

The plan for the producers' bank in the mining industry, which illustrates the general concept of financial organization that Major Douglas and his followers have in mind, proposes, among other things, the following:

1. For the purpose of efficient operation, each geological mining area shall be considered as autonomous administratively.

2. In each of these areas a branch of a bank shall be formed by the Miners' Federation to be known as a producers' bank.

3. The shareholders of the bank shall consist of all per-

[41] See also Douglas, *Economic Democracy*, pp. 120-1.

sons engaged in the mining industry, *ex officio*, whose accounts are kept by the bank. Each shareholder shall be entitled to one vote at a shareholders' meeting.

4. The bank shall pay no dividend.

5. The capital already invested in the properties and plant shall be entitled to a fixed return of, say, six per cent, and, together with all fresh capital, shall continue to carry with it all the ordinary privileges of capital administration other than price-fixing. Depreciation shall be set against appreciation.

Orage and Douglas defend their suggestion that a fixed return should be paid to capital on the ground of expediency—it would lead to a peaceful solution of the subject; and on the ground of principle. "It is not capital," they declare, "that is evil, but capitalism; and capitalism can be defined as the improper use of capital. Under the scheme it is proposed to take from capital the improper privileges it has hitherto exercised. They are *not* the privileges of administration or the privilege of deriving an income from the proceeds; they are the privileges of a monopoly of credit and a monopoly of the power to fix prices. . . . The scheme looks forward to a time when everybody will draw a dividend by virtue of his sharehold in the communal enterprise."[42]

The proposal of a fixed return to capital as a permanent policy, as will be seen, has been vigorously criticised by Cole and other guildsmen.

6. The board of directors shall make all payments of wages and salaries directly to the producers' bank in bulk. This is done, declares Orage, by other industrial concerns, as, for instance, by Lever Brothers, who have adopted a system of bulk-payment of wages and salaries through a local bank in their works in the North of England. "The procedure is simple and certainly time-saving, as regards the administration of the industry. A check is made out by the directorate for the full amount of the period's wages and salaries; the same is credited to the producer's

[42] Douglas, C. H., *Credit-Power and Democracy*, pp. 176-7.

bank and the latter credits its members with their respective amounts.'' [43]

Orage declares that it is most important to the scheme for a current of financial credit to be passing constantly through the producers' bank. If the wages and salaries in the mining industry were paid through the bank, that would amount, say, to five million pounds weekly. ''Any bank in the world would consider itself prosperous with such a client at its disposal. An individual who would deposit in the bank five millions every Friday evening could carry on a considerable banking business, even if on every other day of the week he should withdraw part of his deposits. . . . Without a penny of 'money' the producers' bank would discharge all the functions assigned to it. With a current of ordinary financial credit of five millions passing through it, no question can be raised of its right to issue financial credit. Its right is double that of the ordinary banks, since it possesses at once the basis of financial credit, namely, cash; and the basis of real credit—namely, the ability of the Miners' Federation of Great Britain to produce coal as and when required.'' [44]

7. In the case of a reduction in cost of operation, one-half of such reduction shall be added to the national credit account, one-quarter shall be credited to the colliery owners, and one quarter to the producers' bank.

8. From the setting to work of the producers' bank all subsequent expenditure on capital account shall be financed jointly by the colliery owners and the producers' bank, in the ratio which the total dividends bear to the total wages and salaries.

9. The government shall require from the bank audits (quarterly, half-yearly or yearly), of the cost of production, including all dividends and bonuses.

10. On the basis of the ascertained cost of production, the government shall by statute cause the price of domestic coal to be regulated at a percentage of its cost. This price (of domestic coal) shall bear the same ratio to cost as the total national consumption of all descriptions of commodi-

[43] *Ibid.*, pp. 177-8.

[44] *Ibid.*, pp. 178-9.

ties bears to the total national production of credit. Total national production under the definition is *not* to be measured by the amount of goods actually produced. The total national production of credit consists of "actual goods, capital goods, and their appreciation productively regarded and imports—that is to say, of goods 'produced' from other countries." The total consumption, on the other hand, consists of actual goods consumed plus depreciation plus exports. "There is no doubt in the minds of those able to form an estimate at all that the ratio of production, as defined, to consumption, as defined, is well within the expression of 4 to 1; in other words, that our total national production of real credit is at least four times our total national consumption of real credit. . . . To return to the formula contained in the present clause, it follows that if price is to be the same fraction or part or percentage of cost as our total national consumption is to our total national production, then price (of domestic coal in this case) must be one quarter of cost." [45]

11. Industrial coal should be sold to users at cost plus an agreed percentage.

12. The price of coal for export shall be fixed from day to day in relation to the world market and in the general interest.

13. The government shall reimburse the mine owners to the amount of the difference between their total cost incurred and their total price received, by means of treasury notes, such notes being debited, as now, to the national credit account.

Thus the first step in the transfer of credit power, according to the Douglas plan, would be the organization of trade union banks which, by issuing credit-currency, based on the labor power represented by them, could obtain sufficient purchasing power to buy into the control of several industries to which their members were attached. If this aim were completed, it would mean the establishment of workers' control over the administration of industry, since the producers' bank in any industry would necessarily

[45] *Ibid.*, pp. 192-6.

place the management of that industry in the hands of the workers employed therein. Of course certain nominees of the capitalists might be kept in power, but these would represent a vanishing minority. To the objection that those workers who left the industry would retain their stock in the producers' bank and have power to transfer them to their heirs, and that the ultimate control might thus pass out of the hands of the workers, the Douglasites reply that this is no objection, as the *public* and not the *workers* should exercise final control over policy.[46]

This control would be exercised through the price-fixing power, described above, which would be an important element in business policy, and establish effective control by the community over economic life and, second, through the power to grant or withhold the drafts drawn on the "national credit account." "In sum [according to the credit scheme advocates] the community would be placed in effective control of the entire economic resources, the equilibrium between prices and purchasing power would be assured; a reasonable degree of workers' control would be in force; and the 'social dividend' would have replaced wages and salaries."[47]

Objections to Douglas Plan.—Cole and other guildsmen of the "self-government in industry" school have a number of strictures to make upon this scheme. They of course agree with Douglas that the present currency system "is an elaborate means of diverting the increment of social production from the community as a whole to certain groups of privileged individuals." But they refuse to place all blame for this on a powerful group of high financiers as opposed to industrialists, and argue that the two groups are not to any great extent separate. Cole contends that the scheme is unworkable practically, as neither the price regulations proposed, the admittance of the miners' bank to the clearing-house or the unique program suggested for investing funds in industry would be possible in the face of capitalist opposition, unless the state were enlisted in the scheme, "an achievement which, as guildsmen know,

[46] *Ibid.*, p. 94. [47] Carpenter, *op. cit.*, pp. 228-9.

presupposes the conquest of economic power." "There would be," he adds, "much shorter cuts than the Douglas scheme to a sane financial system."

Cole also strongly objects to Douglas' proposal to recognize in perpetuity the right to limited dividends of those who now possess the capital of industry. This would prevent the capital now in industry, Cole maintains, from being amortized, "that is, from dying out, while reducing prices and thus increasing the purchasing power of the interest which it recognized in perpetuity. Unless the normal rate of increase in productive power is very much larger than I believe it to be, and is sufficient to make this perpetual recognition of claims, which under present conditions are largely limited in duration, insignificant in effects, Major Douglas is surely conferring on the possessing class a vast mortgage on the productive power of the workers." Moreover, "the recognition of the right to interest on the part of the present holders of capital is to destroy the moral basis of the socialist case."

Major Douglas, in fact, Cole insists, was never a guildsman. He is simply a "distributivist, and one who believes that control should rest with the consumer, exercising power through the expert, and not with the producers as a self-governing industrial democracy. 'Economic democracy' in the Douglas sense, is the direct opposite of the industrial democracy of the guild socialists." [48]

Such sympathetic critics as Professor Carpenter likewise object to the Douglas-Orage plan on several grounds: Its declaration that the prices must always keep ahead of purchasing power, he maintains, takes no account of the *continuous nature* of the industrial process, that the production of one good overlaps that of another. Douglas' analysis is also based partly on an abnormal post-war situation. Its cost-of-production theory of value is questionable. Its theory of price changes does not square with facts. Practically its application would lead to endless complications with the currency systems of other countries and the enforcement by the country of the official price would re-

[48] *The Guildsman,* February, 1921.

quire the development of a tremendous bureaucracy, a bureaucracy of a high order of administrative capacity, honesty and zeal.[49]

The official view in the guild socialist movement is opposed to the Douglas scheme, although committees from the National Guilds' League have commended a number of its features, and it has undoubtedly served to stimulate in guild ranks the study of the mechanism of credit. As between Cole's theory of a "commune" and Hobson's "civic-sovereignty" theory, the League is, on the whole, favorable to the former.

Recent Progress of Guilds Movement.—The National Guilds League has never had a large membership, its numbers for several years having approximated about 500 members, chiefly in London and its environs. However, its influence at home and abroad has been far greater than that membership would seem to indicate. It has exerted a considerable influence both over intellectual thought in Great Britain and over the trade union movement, particularly among the miners, the engineers (machinists), the teachers, railroad workers, post office workers, etc. The Church Socialist League and many of the clergy of Great Britain have also at times been ardent supporters of the guild idea. Such declarations as those of the *Archbishop's Report on Industrial Relations* and the *Lambeth Conference of Anglican Bishops* indicate the extent to which guild ideas have gained a vogue among this profession.

One of the most unique features of the guild movement was the organization of building guilds during the period immediately following the World War. The guilds did build successfully large numbers of houses, and, during times of full employment, the workers in the guilds showed greater efficiency than those working for private contractors. However, they were unable to survive the period of severe industrial depression that followed and finally disbanded.[50]

[49] See Carpenter, *op. cit.*, p. 251.

[50] See article by Alex. Bing in *Survey*, Jan. 1, 1924; Carpenter, *op. cit.*, pp. 118-137, 314-316.

In more recent years the National Guilds League has been greatly weakened by the differences of opinion over the relation of the guild socialist movement to the Russian Soviet experiment, on the one hand, and the Douglas-Orage credit-control scheme, on the other.

Whether or not it survives as a separate organized movement, within the socialist movement, its vigorous propaganda and penetrating analysis will undoubtedly continue to make its impress for some time to come on the general movement of socialist thought.

Possible Objections to Guild Socialism.—Leading socialists still take exception to many features of the guild plan. They point to the difficulty, if not the impossibility, of superimposing the guild structure of the middle ages on modern industry. They particularly criticize Mr. Penty's advocacy of the revival of the old guilds with their handicraftship, as opposed to machine production and their local unit of organization. In the face of international trade, of capitalist enterprise and of the division of labor, and of modern political institutions, this attempt at restoration, they maintain, becomes chimerical.

Furthermore, the critics of guild socialism assert, the guilds of the middle ages should not be over-idealized. Before their dissolution they fell increasingly into the control of cliques; their journeymen came to be regarded as inferiors rather than as associates in the industry, while the regulations they imposed were often arbitrary and monopolistic. They were destroyed through their own failures as much as through any anti-social institutions emerging at that time.[51]

Mr. Cole would, as we have seen, differ from Penty in striving to reestablish the *spirit* of the guilds, though not necessarily their structure. Far from being a believer in local industry, he would, indeed, accelerate present day economic concentration. But "as well talk," says Carpenter, "of applying the general organization and spirit of St. Francis to a modern Charity Organization Society." The guild system and modern industrialism "are cast of

[51] See Carpenter, *op. cit.*, pp. 246-7.

entirely different metal. The one was built around highly skilled, small scale handicrafts, rigidly restricted, strongly traditional, fiercely local. The other takes for granted unskilled, minutely divided labor; large scale machine production; remorseless change and innovation; national and even inter-national organization.'' [52]

Many socialists still question the need of destroying the state as Cole proposes, for the purpose of again building up the commune, with its potentially great industrial and economic power. Others maintain that, with the checks and balances proposed for the commune, the proposed commune would be unable to reach decisions on many questions presented to it for consideration.

They are inclined to agree with Professor Carpenter that the guild commune ''would organize people upon the basis of their different and divergent interests; would give them an opportunity to thwart each other; and would give nobody—not even the population as a whole—a chance to make them compose their differences. The omnicompetent state admittedly works badly at times; but it *does* work, which is more than the impotent 'commune' would be likely to do.'' [53]

Guild critics also see the danger under guild socialism of concentrating too much attention on the organization of production, thus lessening the workers' interest in and leisure for, matters of greater importance. For it is ''as consumer in the widest sense of the word,'' they claim, that the worker ''will realize his individuality and enjoy his freedom.'' [54] The mass of socialists fail to share the guildsmen's prejudice against political action. Many socialists also question the advisability of barring consumers from the boards of administration of an industry, and

[52] *Ibid.*, p. 249.

[53] *Ibid.*, p. 273; see also Field, *Guild Socialism*, Ch. 5. ''The danger is not,'' argues MacIver, ''that particular interests will not be focused and asserted, but rather that the general interest may suffer domination through their urgency. Against this danger the general bulwark is the state, because its organizations presupposes and in some degree realizes the activity of the general will.'' MacIver, R. M., *The Modern State*, p. 465.

[54] Philip Snowden in *The Socialist Review*, April-June, 1919.

favor joint control, rather than an exclusive producers' control. For there is a danger that must be guarded against, under too exclusive workers' control, of seeking to maintain existing processes unchanged, of discouraging innovations and of developing vested interests opposed to other sections of the community of workers. Nor do they all see the need from the democratic point of view of the workers directly electing foremen and superintendents who are to be given the power of direction. They maintain with the Webbs, that this "relationship set up between a manager who has to give orders all day to his staff, and the members of that staff who, sitting as a committee of management, criticize his action in the evening, with the power of dismissing him if he fails to conform to their wishes, has been found by experience to be an impossible one."[55] As there is a great difference of opinion among those who classify themselves definitely as "guild socialists" regarding these positions, so, naturally, there are many shades of opinion in the general movement.

Contribution to General Socialist Thought.—Though objecting to certain phases of the guildsmen's message, socialists outside the guild movement have, nevertheless, expressed gratitude to the guild socialists for pointing out in such an effective manner the possibilities of industrial action, and for emphasizing the dangers of bureaucratic collectivism, the desirability of producers' participation in the management of the workshop and the value of the functional principle as applied to politics and industry. Many of these suggestions have been, in fact, incorporated in their proposals for social reorganization. Thus Sidney and Beatrice Webb, the Fabians, now propose that an industry under socialism be administered by a national board, the "*large majority of which would be either engaged as principal officers in service or would be representative of the vocations to which the bulk of the employes* belonged; with a minority representing the interests of the remainder of the public."[56] (Italics ours.)

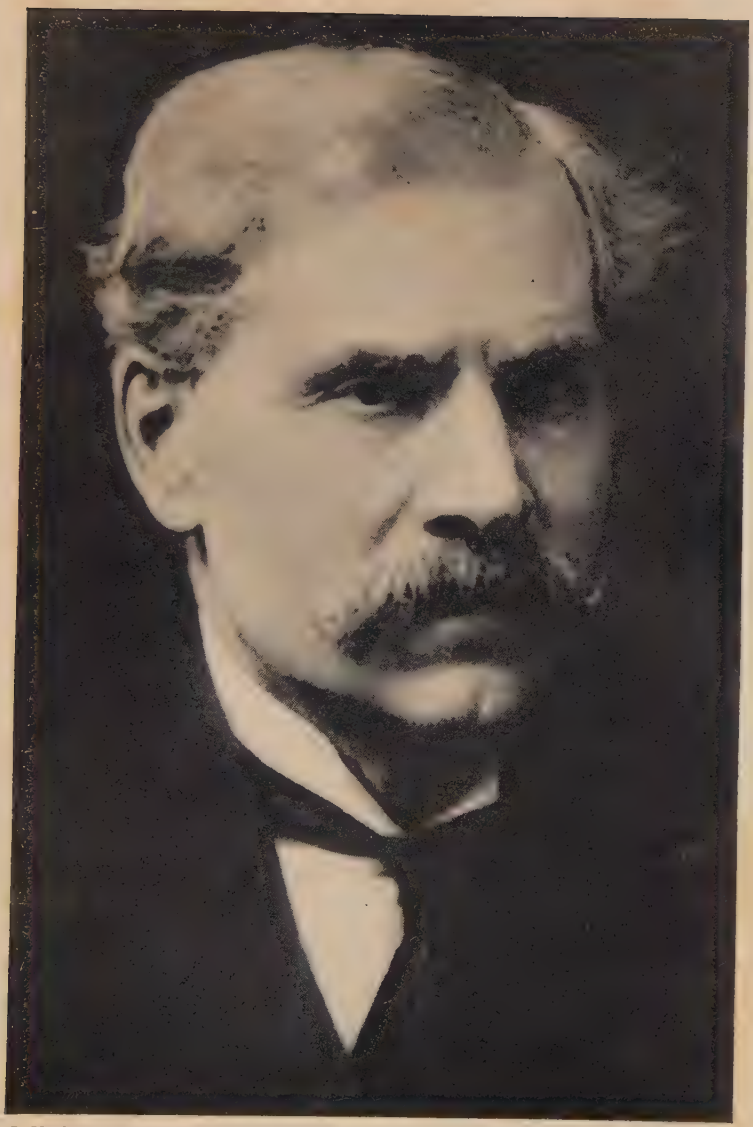
[55] Sidney and Beatrice Webb, *Constitution of a Socialist Commonwealth of Great Britain*, p. 161. (N. Y.: Longmans, 1920.)
[56] *Ibid.*, pp. 176-7.

While this is not guild socialism, it is a far cry from the "bureaucratic state socialism," which it was formerly alleged the Webbs advocated.

MacDonald on the Value of Guild Socialist Propaganda.—More recently Ramsay MacDonald has paid a conspicuous tribute both to the guild socialist school and to the syndicalists for their contribution to the general socialist ideals, as follows:

"These movements [syndicalism in France, and the industrial unionism movement in America] hastened, if they did not originate *the most important modification in socialist conception that has been made since the time of Marx.* The leaders had been so completely absorbed in politics, that they appeared to consider that political action alone was the workers' means of improvement, and the political state the only means of expressing the democratic will. First of all the syndicalist, and after him the guild socialist, challenged that view, and emphasized the fact that *labor had industrial as well as political organization and power,* which ought to be used, and that *the scheme of socialist reconstruction could not be satisfactory unless the former was fitted in and recognized.* Up to that time the general exposition of socialism was state socialism, a socialism which, as the *Communist Manifesto* says, was 'to centralize all means of production in the hands of the state.' That served as a provisional view as the necessary work of building up an organization was being done. The consideration of detail could be properly and economically postponed till principles were accepted.

"In this country, however, we had no military or philosophical conceptions of the state to make us assume, without thinking, that its officialdom could take the place of a hierarchy of capitalists, or its centralized bureaucracy function as a national capitalist trust. The British movement could not be regarded as one of state socialism, and we welcomed the inquiry into how far the industrial organization of the workers could be used along with Parliament, not only to effect the transformation but to work in the new system."



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J. RAMSAY MACDONALD (1866-)

"The result is that *industrial organization has been restored to a place equal in importance to the political organization. Industrial transformation cannot be made by legislative action or civil service interference alone; it must also take place within the workshops themselves by labor having to shoulder increasing management responsibility,* and by carrying through a policy of industrial enfranchisement worked out in detail for trade after trade. And when industry has been transformed and a communal organization is managing production and distribution for common ends, *that organization will not be the type of a bureaucracy but of a self-controlling function wherein the intelligence of the workman will be used for management as well as his muscles and skill used for work. . . . It is a landmark in the development of the socialist conception of the economic state.* The 'tyranny' of socialism is now a bogy word more nonsensical than ever, and the 'freedom of the man under socialism' becomes a still more reasonable expectation."

MacDonald goes on to declare that in the first energy of their enthusiasm, the guildsmen overstepped the mark, and sought to destroy the political state altogether, "or to create a system of parliaments or councils representing consumers and producers whose mandates were to run alongside of the political state without any coordinating, or arbitrating or adjudicating authority being set over them, and complexity was piled upon complexity because a rigid application of an absolute theory had to be made." These fantastic methods "must be cut out like rogue shoots from the root. . . . They must not be regarded as part of the socialist theory. In that, the state remains in its proper place, holding the power of supreme sovereignty not only because its interests are communal and not sectional or functional, but also because, under any reasonable form of economic and industrial organization, mere industrial interests will fill a much smaller part of life than they now do. The failure, conflict, and waste of capitalism not only lengthen unnecessarily the time which men have to spend in mine and factory, but intensify

industrial problems and make economic affairs loom much larger in human interest than they ought to do.

"Be that as it may, these new explanations and happenings have strengthened socialism in two directions. They have filled in details, and so enriched it as a national scheme, and they have discovered for it the next stage of the road upon which it must go, and so have ended the feeling of bafflement which was stealing over the movement when the war broke out. The socialist movement of construction will not only traverse political ways, although along them will move the large, creative ideas of communal life. It will also advance by steady conquest of industrial control by the workers, including foremen and managers, coming into cooperative contact with one another, and by a diminution of the field in which capital is superior, until at last the mere capitalist has disappeared from the field." [57]

This, then, has been the contribution of these movements to the socialist thought of the age.

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Part IV

POST-WAR SOCIALIST DEVELOPMENTS

CHAPTER XXIV

RUSSIA TO THE BOLSHEVIK REVOLUTION

The Russian Revolutionary Struggle.—While the guildsmen were theorizing regarding the future state of society in England, the bolsheviks, now known as communists, were putting their theories into operation in Russia. The Russian revolutionary movement is the result of many decades of struggle on the part of minorities in Russia, as well as of the peculiar economic, social and political developments in that far Eastern Republic.

Democratic movements have appeared in Russia since the days following the Napoleonic wars, when returned officers gathered in the Senate Square of St. Petersburg (now Leningrad), and demanded a constitution.

Prior to 1861, however, the date when the serfs were emancipated, there was little socialist activity. In fact from the years 1855 to 1870 agitation among the workers was given over almost wholly to that of the nihilists, who accepted no principle on faith, and bitterly denounced all existing institutions.

Russian Students.—This agitation, while crude and violent, led many of the brightest young minds of Russia to inquire into the causes of unrest, and hundreds of them went abroad to study in the universities of Western Europe, chiefly in Switzerland. They were brought there under the influence of Herzen, Bakunin and the Marxist, Peter Lavrov, and became enthusiastic over the new teachings. Fearing the effect of these doctrines on the Russian youth, the Czar issued a *ukase,* calling them back to Russia in January, 1874. They returned, but not with the old veneration for Czardom. They went into the rural districts by the hundreds, as teachers, carpenters and shoe makers,

helped to educate the peasants, imitated their customs, learned their opinions, their living conditions, and, at the same time, taught them something of the new faiths. The activities of these students were soon discovered. They were hounded by the police, arrested, often imprisoned, exiled, executed without semblance of trial. From 1873 to 1877 more than 2,000 were arrested and imprisoned, and this phase of educational propaganda temporarily ceased.

Reign of Terrorism.—Frustrated in their legitimate educational work, some of them resorted to violence. At this juncture, Vera Zasulich, a young woman, assassinated General Trepoff, Prefect of the Police in St. Petersburg, because of his brutal treatment of a political prisoner. The girl was arrested, tried and acquitted by a jury, and escaped to Switzerland, amid the plaudits of large numbers of sympathetic Russians. Her success fired the more militant of the revolutionists, and, while the peaceful educators of former days dropped out of the movement, a new terroristic group took their place, and for the next three years terrorism reigned in many parts of Russia. General Mezentseff, Chief of Police, was stabbed in broad daylight. Prince Kropotkin, relative of the revolutionist, was shot, as were numerous others.

The Czar, Alexander II, was the next object of attack. Finally, on March 13, 1881, a successful attempt was made on his life by Sophia Perovskaia. The subsequent uprising of the populace which the revolutionists had looked forward to failed to occur. Industrial evolution had not developed sufficiently. What did happen was the denial by the government of the most elemental rights. Workers were forbidden to hold public meetings or to publish or distribute socialist periodicals, while "The Will of the People," the name of the terrorist organization, partly responsible for the assassinations, was crushed. In 1883, Plekhanov, who had been with "The Will of the People," broke with this group and founded, with Axelrod, Deutsch, and Vera Zasulich, a "Society for the Liberation of Labor," for the purpose of keeping before the workers the problems of socialism.

Formation of Parties.—During these days of comparative quiet, however, masses of people were being influenced by the writings of the Russian novelists and essayists—Turgeniev, Dostoievsky, Prince Kropotkin, Count Tolstoi, Maxim Gorki and others; by the underground propaganda of socialist and anarchist groups and by the oppressive policy of the government. Russia also was gradually becoming industrialized. Factories were appearing, workers were gathering into groups; were realizing their identity of interests, were organizing. In 1895, Lenin with Martov founded in St. Petersburg the "Union of Struggle for the Liberation of the Working Class." A year later a gigantic strike broke out in this city, and the modern proletariat for the first time exhibited their will to power. It was also about this time that the Social Democratic Labor party organized, and sent delegates to the International Congress in London. The central committee was soon arrested, but the movement made considerable headway during the next few years. This group felt that little could be done until economic conditions were ripe, and had little hope of reaching the peasants until the great landlords had expropriated their lands.

The more radical of the workers also began to organize and, in 1901 the Social Revolutionary party was formed. This party believed that an active campaign should be made against the Czar and his followers, and that the time was now ripe for aggressive work among the peasants. Nor was it opposed to the use of violence. Other groups sprang up among the Lithuanians, Poles and Jews. University students became active and many of the participants in revolutionary outbreaks were drafted into the army. This led to additional outbreaks in which the students and working men joined. Count Witte, the Premier, seeing the signs of the times, began to take initial steps toward a constitutional government. The Czar disapproved of this procedure, the Count was dismissed and Von Plehve appointed in his stead.

Contest between Bolsheviks and Mensheviks.—In 1903, the Social Democratic Labor party held its second con-

gress, first at Brussels and later at London. The congress was largely attended. It set before itself the task of fixing the rules and statutes of party organization and of working out a political program. It formulated as its chief demand the creation of a democratic republic and the summoning of a Constituent Assembly.

The gathering, however, revealed a radical difference of opinion. One party, headed by Lenin, demanded more thorough centralization of power in the hands of the executive committee, a more vigorous suppression of all independent activities and a severer code of rules. The other group, led by Martov, defended the ideal of a more democratic party organization and urged that the local groups be permitted wide freedom of action. It proposed that "any one who adheres to its program, supports it by material means and furnishes it assistance under the direction of one of its organizers will be considered a member of the party." The first group developed into the bolsheviks; the second, into the mensheviks.

In their 1904 congress, the bolsheviks and mensheviks proposed for discussion the question: "In case of political revolution in Russia: what attitude should the party adopt?" The mensheviks took the position that victory would be decisive if the revolution should result in the creation of a Constitutional Assembly under the direct pressure of the people in revolt.

"The problem of the revolution," they maintained, "is essentially that of liquidating the monarchical regime . . . the socialist party ought not propose cornering the power by eliminating the other liberal parties from the provisional government, but should itself continue as the opposition and the extreme revolutionary party."

On the other hand, the bolsheviks declared that the establishment of a democratic republic was possible only through the victorious uprising of the people and the establishment of a revolutionary provisional government. A bourgeois revolution, they declared, would try to wrest from the revolutionary proletariat the largest part of the gains of the active revolutionary period. Therefore the

workers must seek to place into the revolutionary provisional government representatives of the Socialist party to organize a merciless struggle against counter-revolutionary efforts of the bourgeoisie and to defend the special interests of the working class. They urged a "struggle for the revolutionary dictatorship of the proletariat and the peasants, aiming at a complete social transformation on the basis of the bolshevik platform." This was before the 1905 revolution, and their point of view gained a majority support. The victorious group in the party was given the name, bolshevik, meaning majority, and the defeated group, mensheviks, the minority.[1]

The 1905 Revolution.—In 1904 came the war against Japan. With every defeat in that war, strength was added to the democratic forces in Russia. Revelations of inefficiency and graft in official Russia increased the discontent against the monarchy. Strikes were prevalent. In July, 1904, a member of the Fighting Organization of the socialist-revolutionists assassinated the Minister of the Interior, Von Plehve. Nicholas II, fearing further outbreaks, appointed a liberal Minister of the Interior in his place, and for awhile freedom of speech and press was enjoyed. A Congress of Zemstvos met in St. Petersburg and drew up a resolution demanding reforms on "eleven points." Soon thereafter, however, the government reversed its liberal policy, the press was forbidden to discuss reform measures and all public meetings were declared unlawful.

On Sunday, January 9, 1905, an intensely cold and snowy day, tens of thousands of workers, carrying ikons and singing "God Save the Czar," marched to the Winter Palace to present a petition to the Czar and to demand the reforms urged by the Zemstvos and other groups. At their head was Father Gapon, a leader of the Union of Russian Workingmen, an organization existing under the sanction of the Minister of the Interior, which had encouraged it as a counter force to socialism.

[1] Antonelli, Étienne, *Bolshevik Russia* (N. Y.: Knopf, 1920), pp. 60-62; *Bolshevik Aims and Ideals.* Reprinted from the *Round Table* (N. Y.: Macmillan, 1919).

The previous day, in announcing their coming, Father Gapon had urged the Czar to meet them and accept their petition, and had pledged to hold the life of the monarch inviolable.

The petition they planned to offer recited their wrongs: "We have become beggars," it said in part. "We have been oppressed; we are burdened by toil beyond our powers; we are treated as slaves who must suffer their bitter fate and must keep silence. We suffered, but we are pushed farther into the den of beggary, lawlessness and ignorance. We are choked by despotism of ignorance and irresponsibility. . . . The limit of patience has been reached." Time and again, they maintained, they had been turned down by their masters, when seeking to redress their wrongs. "There is not recognized any human right, not even the right of speaking, thinking, meeting, discussing our needs, taking measures for the improvement of our conditions. . . . All the people—workingmen as well as peasants—are handed over to the direction of the officials of the government, who are thieves of the property of the state."

They urged the monarch to hear them and thus to preserve the unity between him and the people. "Art thou not placed there for the happiness of thy people? But this happiness the officials snatch from our hands."

They came to their principal demand. "National representation," they asserted, "is indispensable. . . . Order immediately the convocation of representatives of the Russian land from all ranks, including representatives from the workingmen. . . . Let everyone be equal and free in the right of election, and for this purpose order that the elections for the Constituent Assembly be carried on under conditions of universal, equal and secret suffrage. . . . This is the principal and only plaster for our wounds." They also urged the release of political and religious prisoners, freedom of speech and free press, compulsory education, separation of the church from the state, freedom of labor organization and similar reforms.

When they approached the palace, the Czar failed to appear. In his stead, the Grand Duke Vladimir, uncle of

the Czar, ordered the troops who had surrounded the palace in readiness for the demonstration, to fire on the unarmed workers, and to shoot until the crowd was completely dispersed. The soldiers obeyed orders, and 1500 men and women, boys and girls, after the carnage was over, remained dead or wounded on the streets.

"Bloody Sunday," as the day was afterwards called, was the signal for uprisings in Warsaw, Odessa, the fleet of the Czar on the Black Sea, and, indeed throughout Russia.

The Establishment of the Duma.—On August 3 a manifesto was issued, announcing the establishment of the Imperial Duma. But it was evident that the members thereto were to be elected according to a very undemocratic law and that it was to have only consultative, not legislative powers. A second Congress of Zemstvos was called, and demanded a constitutional government. A general strike followed, leading to almost complete stoppage of work in St. Petersburg and other cities. Nicholas II, now thoroughly scared, dismissed his reactionary Minister, appointed Count Witte Premier of Russia, and in a manifesto on October 30, granted the people "inviolability of person, freedom of thought, speech, assemblage and organization." He also granted the electoral right to many classes not permitted representation in the Imperial Duma, by the previous manifesto.

There was much rejoicing, but it was short lived, for the Czar's associates soon instituted a series of horrible massacres of Jews and "intelligentsia" throughout the country. In Odessa alone no less than a thousand were killed, while many thousands were wounded in a massacre that lasted four days.

The Soviets Appear.—The revolution continued to spread, and in St. Petersburg soviets of delegates from the factories, elected by the workers, later to play such an important part in history, made their appearance. Soviets sprang up among the workers in other cities, and even the peasants, and, in some cases, the soldiers, organized their councils of soviets, for active propaganda in their behalf. "Pressed in the iron vise of the general political strike of

the Russian proletariat,'' declared the St. Petersburg soviet, ''the Russian autocratic government has granted concessions. . . . But the Russian revolutionary proletariat cannot lay down its arms until the time when the political rights of the Russian people are established on firm foundations.''

Unity among the revolutionists, however, finally began to disappear. The constitutional democrats, known as the Cadets, and representing the liberal element, became nervous regarding the actions of some of the extremists. The government saw this weakness. It began cautiously to try its strength and arrested the president of the St. Petersburg soviet. The soviet passed a vigorous resolution of protest and elected Leon Trotsky its next president, but was unable to arouse the people to militant revolt. Other arrests followed, and finally the revolutionary movement was for the moment crushed, and every effort was made to secure the punishment of its promoters.

The Duma Meets.—The first Duma was convened in May, 1906. Before the election, the Czar's government still further limited the power of the Duma, and the socialists decided to boycott it. Despite this action, however, 107 peasants and workers were elected to the labor group. The forces opposed to the government were in the majority, with the constitutional democrats in the lead.

Amnesty was one of the most important questions before it. As the working class representatives passed the prisons on the way to the Tavrichesky Palace, the political prisoners from behind the bars called out to them and urged that everything be done for their release. Throughout Russia some 70,000 to 80,000 were said to be in jail for political offenses.

One of the first acts of the Duma was to draw up a demand for amnesty and other reforms. The Czar, however, disapproved of their attitude, and, when the Duma decided to demand action on the agrarian question, seventy-two days after they first met, he had the troops surround the palace and the Duma dissolved.

Armed revolt was again urged, but the response was

weak. New elections were finally held for the second Duma.

The socialists decided to run for office in these elections and when the next Duma opened its sessions in the spring of 1907, the social democrats and the social revolutionists were represented each with about 130 representatives out of a total of 524. This second Duma was dissolved in June, 1907, following the declaration of the premier that he would arrest 16 of the socialist deputies and indict 55 others for spreading revolutionary propaganda in the army and navy.

Reaction of 1907–1908.—Following the dissolution, the autocracy promulgated a new electoral law, without constitutional sanction, whereby the electorate was divided into five parts. One representative was allotted to each 230 of the landed nobility, one to every 1,000 of the larger capitalists, one to every 60,000 peasants and one to every 125,000 of the artisan class.

In spite of this procedure, the November, 1907, election resulted in again electing 14 socialists and 14 members of the Labor party. "A policy of repression was promptly adopted. Hundreds of newspaper editors were sent to Siberia, 26 socialist members of the second Duma were imprisoned with hard labor, 163 members of the first Duma were sentenced to 3 months imprisonment and loss of political rights for signing in 1905 the Viborg Memorial calling on the people passively to resist the government as a reply to the dissolution of the first Duma, and 600 Polish schools established by voluntary funds were closed. During 1908 the regime of reaction prevailed: no less than 70,000 persons were banished for political offences and 782 executed, while the persons in exile numbered no less than 180,000."

In 1909 came the astounding revelations in the Azev Case. Azev pretended that he was a revolutionary leader, but was in reality an *agent provocateur,* in the employ of the Russian police. Many of the assassinations of the eight previous years, it was shown, were instigated by him in order to cause the arrest of the leading revolutionists and to justify the reactionary policy of the government. In some of the cases plans had been made to save the officials from assassination at the last moment, but these had miscarried.

The funerals of Tolstoi and of Professor Muromitzev, President of the first Duma, in 1910, which brought together hundreds of thousands from all parts of the country, were the occasion of a revivified revolutionary movement. The 1912 Duma refused to approve the budget, largely because of the persecution of the business interests by the autocracy, partly, no doubt, because of the rise of the socialist vote among the working and middle classes. In the fourth Duma the socialists divided into the "liquidators," a group of 7 who believed that the underground method in politics would no longer accomplish results, and the left wing group of 6 who believed that this was the only way out of the difficulties. The socialists lost no opportunity to speak on every subject that came up before the Duma, and as their speeches were reported verbatim in the press of the country, in accordance with custom, they exerted considerable influence. In the meanwhile the peasants were getting increasingly restive under a system of land tenure which placed in the hands of some 130,000 landlords no less than 86,000,000 dessiatines of land, while more than 100,000,000 peasants possessed but 138,000,000, or 1.4 dessiatines per head. (A dessiatine is 2.7 acres.)

One of the most dramatic events before the Duma convened was the republican demonstration in June, 1914. Tchcheidze, the leader of the socialist group, had previously delivered a speech in the Duma in which he declared that the only workable reform would be the establishment of a democratic republic. The howls of the Black Hundred Deputies prevented him from finishing his address. Several days afterwards, indictments were brought against him and against Deputy Kerensky of the Labor party, for violating section 129 of the code relating to treason and sedition. The charge led to a vigorous discussion in the Duma not only among the socialist and labor deputies, but among the conservatives, many of whom claimed the right to express their view on any subject under consideration. The socialist and labor deputies during the debate that followed were finally excluded from the Duma. The event was followed

by a remarkable general strike in St. Petersburg and elsewhere. Then suddenly came the war.

The War.—Most of the elements of Russian life supported the war, including a majority of the socialists, who believed that a defeat of Russia in her struggle with Germany would mean her defeat in her struggle for freedom. Nicholas Lenin and a small following of Russian socialists, on the other hand, in their paper, the *Social Democrat*, published in Switzerland, propagated the idea of the necessity of Russia's defeat from the standpoint of her democratic progress.

The war brought to Russia intense suffering and increasingly fanned the flame of discontent. The manner of living of the Czar's family; the inefficiency and corruption in military and governmental circles; the imperialistic aims of the government; the terrible loss of human life on the western front, the breakdown of the economic machinery—all steadily increased the spirit of revolt among the masses.

All of the liberal groups, excluding the socialists, joined together in the summer of 1915 in demanding a responsible government, which demand led to an indefinite suspension of the Duma. In the following Duma, convened in November, 1916, vigorous opposition to the government was again voiced.

In January, 1917, the progressive members of the Duma were dismissed and conservatives were substituted. The reopening of the Duma was postponed. Prices soared. The people faced starvation. The army was put on short rations.

The March Revolution.—On February 27, 1917, several thousand workers in St. Petersburg went on strike. The strike spread. Increasing demands arose for bread and peace. The government sent out Cossacks to break up the strikes, but instead, they smiled approval. The Duma became rebellious. It went so far as to state that it ceased relations with a government which had covered its hands with the blood of the people. This led to a further dissolution.

On Sunday, March 11, the streets of St. Petersburg were black with people. The officialdom was frightened. The police were ordered to fire on the crowd, they obeyed, but one of the famous regiments, when receiving a similar order, joined the masses instead, amid the applause of the populace.

The government seemed impotent. It sent a message to the Czar, stating that anarchy was rampant. The Czar made no reply. The people turned for leadership to the liberal group. It seemed unable to unite on a course of action. It was then that the socialists assumed the leadership and proceeded immediately to organize the workers into soviets of workmen's delegates, after the example of the revolution of 1905. The following morning, March 12, the revolt was thoroughly organized. The revolutionary forces were augmented by the Guards regiment, closest to the Czar. Arsenals were occupied, the police silenced, fortresses captured and inmates released.

The Duma, in the meanwhile, was undecided regarding its course of action. That night the social democrat Tchcheidze was made president of the soviet of workmen's delegates, and Kerensky, laborite, afterwards of the social revolutionists, vice-president. They issued a declaration demanding political democracy for Russia and declared for a Constituent Assembly on the basis of universal, equal direct and secret suffrage.

The Czar Abdicates.—The Duma still felt that a constitutional monarchy was the way out and that the Grand Duke Michael might be called to the throne. The delegates from the Soviet of Workers and Soldiers opposed this compromise. On March 15, Miliukov, one of the leaders of the constitutional democrats, finally announced that the Duma had agreed to depose the Czar, to form a provisional government and to issue a call for a Constituent Assembly. On hearing that decision, the Czar signed his abdication papers, and named his brother, Grand Duke Michael, his successor. The Grand Duke, however, agreed to accept this honor only if this "be the will of our great people, who, by plebiscite organized by their representatives in a

Constituent Assembly, shall establish a form of government and new fundamental laws of the Russian state.'' With this declaration, the old monarchy drew its last breath.

Russian Political Parties.—This first victory of the March revolution over Czarist reaction can be attributed, as has been indicated, largely to the leadership of the socialists constituting then a strong minority of the population. The leadership during these days was united. Prior to the revolution, the socialists had been divided into two large groups, the social democrats and the social revolutionists. The social democrats, led by Plekhanov, the great Marxian scholar, Leo Deutsch and others, emphasized their Marxian character, made their appeal to the city workers primarily, and showed little faith in the potential revolutionary character of the peasants. The social revolutionists, on the other hand, felt that the peasantry must be reached if socialism was to be attained in Russia, and did most of its propaganda among that group. Their principal demand was the abolition of private ownership in land. At first they advocated compensation, but later urged a policy of confiscation. A considerable section of the social revolutionists, including the revered Katherine Breshkovskaya, advocated terroristic methods as a means of advancing the revolution. The more moderate section contained a rather nondescript group as far as social philosophy was concerned. Kerensky, a member of the Labor party, joined the social revolutionists about the time of the revolution. Offshoots of the social revolutionists were the maximalists and minimalists, the former demanding, as their name indicated, the immediate adoption of the maximum program.

Appearance of Mensheviks and Bolsheviks.—In 1903 two groups, as we have indicated, appeared within the Social Democratic Labor party, the bolsheviks (meaning majority) and the mensheviks (the minority). From 1905, after the unsuccessful revolution, to 1917 the mensheviks, however, were the real majority in the movement and the bolsheviks, the minority. The contention of the mensheviks was that Russia must pass through the stage

of capitalist development before it was ready for socialism, and that the next stage in the development of Russia would be the stage of political democracy.

Marx taught, they maintained, that capitalism had an historic mission to perform, which was the development of natural resources and of production. Only when a state is highly developed industrially, when production is so concentrated that a small group of private capitalists practically controls the economic interests of the nation, and when the working class is educated, disciplined and organized as a result of this development, can a democratic government step in and take control of economic life. The natural resources of Russia are undeveloped; its masses are uneducated; its industrial working population comprises only four or five per cent of the Russian people. Surely the hour for social revolution in Russia has not as yet struck; a bourgeois republic must follow absolutism, and socialism must follow a bourgeois republic.

On the other hand, the bolsheviks, led by Lenin, maintained that it was possible for Russia to jump from its primitive industrial development into socialism without necessarily passing through the capitalist stage. This was partly due to the fact that other countries in Europe had advanced capitalistic systems, and a social revolution starting in Russia was likely to light a flame which would spread throughout Europe. The advent of socialist republics in other parts of Europe as a result of a European revolution would make it possible for Russia to adapt itself speedily to the requirements of a socialist society. Furthermore, it could for a season act as the agricultural store house for the more industrialized part of Europe.

This difference in belief regarding the immediacy of the social revolution led inevitably to a difference in tactics advocated by the two groups, a different attitude toward parliamentary government, toward peaceful methods of progress, etc.—a difference which will be discussed at greater length in a later section.

Besides these groups in the Social Democratic party was the small Internationalist group of which Leon Trotsky

was formerly a member, a group which was opposed to any coalition with the propertied classes, but which was unwilling to break with the mensheviks. In addition there was the Unified Social Democratic Internationalist party which included Maxim Gorky, and which refused to tie themselves up with either of the two great factions of the social democrats, but which otherwise resembled in social outlook the menshevik internationalists.

The Bourgeois Groups.—The leading bourgeois party in the Duma was the Octobrist party, representing the feudal landlords and the great capitalists. It contained Rodzianko, the leader of the Duma at the outbreak of the revolution, and Gutchkov, the Moscow banker, and Minister of War in the Provisional Government. Next to this group came the constitutional democrats, known as Cadets, consisting of the more liberal capitalists, professional workers and landowners, and having as their ideal a bourgeois republic or a constitutional monarchy of the British type. This was led by Miliukov and Lvov, and later assumed leadership in the Provisional Government. The Octobrists and other monarchical and conservative parties practically disappeared in the March revolution.

The Provisional Government.—The Provisional Government, which was immediately formed, was dominated by the constitutional democrats, with Lvov as Premier and Paul Miliukov, Minister of Foreign Affairs. Its Minister of Finance was a sugar king; its Minister of Trade and Commerce, a wealthy manufacturer, and its Minister of War and Navy, a Moscow Banker. Its one socialist was Alexander Kerensky, Minister of Justice. It represented a Duma elected under the Czarist regime. Unfortunately the Ministry failed to recognize the economic significance of the revolution, and regarded it primarily as a political revolt. It announced a program of political reform, including universal suffrage, amnesty, freedom of speech, etc. It confiscated the holdings of the imperial family and the monasteries and enacted an excess profits tax. It failed, however, to tackle the industrial problem. It postponed the question of land distribution until the calling of the

Constituent Assembly. It did little to revise Russia's war aims. Miliukov, in fact, declared that he regarded the possession of Constantinople as a necessary step in the economic evolution of Russia. Although Lvov maintained that Miliukov's statement in no way represented the opinion of the cabinet, the government was severely criticised.

The Rise of the Soviets.—During this period soviets, made up of representatives from trade unions, shop committees, professional, industrial, and peasant groups and delegates from the army, were continually increasing in strength. At first they were controlled by the moderate socialists, the social democrats and the social revolutionists.

On April 16, these groups called a national congress of the Council of Workers' and Soldiers' Delegates. This congress urged the Russian people to support them as the center of progressive forces that could be relied upon to combat counter-revolutionary activities. It warned the people against possible reaction and asked support of the Provisional Government so long as the government continued to consolidate and develop the conquests of the revolution and did not pursue an imperialistic policy.

Following this congress, the Provisional Government announced its agreement with the soviets and, on May first, issued a manifesto urging the Allied Government to restate their war aims. Its accompanying note, however, to the effect that it would maintain strictly Russia's agreement with the Allies, was interpreted by some to indicate that the Allies could, if they wished, ignore the manifesto. Huge demonstrations followed. The government declared that it had been misunderstood and the soviets, by a small majority, passed a vote of confidence. The incident, however, strengthened the parties of the left.

Nicholai Lenin.—In late April this trend to the left became more pronounced on the arrival in Petrograd (later Leningrad) of Nicholai Lenin, who had been closely watching developments from Switzerland. Lenin had been one of the great figures in Russian revolutionary life for many years past. Vladimir Ilyich Ulianov, his real name, was born on April 10, 1870, the son of a councillor of state of

NICHOLAI LENIN (1870-1924)

the government of Simbirsk.[2] A Greek Catholic by upbringing, he was educated at the Simbirsk gymnasium where he was first in all of his classes. In 1887 he entered the University of Kazan, from which he was soon expelled for revolutionary activities, following which he was exiled from Kazan and placed under police surveillance. The execution of his brother in 1886 for complicity in an attempt on the life of Alexander III both stimulated Lenin's activities, and caused those activities to be under close surveillance. He entered the University of St. Petersburg, devoted himself to literary work, and in 1892 was admitted to the bar. During this time he organized working class groups in the city in the "Union of the Struggle for the Emancipation of Labor" and rallied around him a number of Marxist intellectuals. He lived in the working class quarters of the city. He led a number of strikes and was constantly hunted by the police. He bitterly attacked the populists who made their main appeal to the peasant and became an ardent follower of Marx and Plekhanov. He repeatedly declared during these years that only the working classes could bring freedom to Russia and that their organization should be started immediately.

At 25, Lenin left Russia and aided in the organization of a service aiming at the introduction of revolutionary literature into his country. On his return, he edited *Labor's Work,* an underground journal. The police followed his movements and, on January 29, 1897, he was exiled to Siberia by an imperial ukase on account of his activity in connection with a social democratic circle in Leningrad. There he remained for three years under close guard, and for the following three years was forbidden to return to industrial or university centers. In exile he wrote his great work, "The Development of Capitalism in Russia" in which he proved that Russia was being rapidly drawn into the maelstrom of capitalism. In 1900, he went abroad

[2] Lenin's father, Ilia Lenin, was born of a middle class family. He received a good education at the University of Kazan, and became a teacher of mathematics and physics. Later he became director of the rural schools of Simbirsk government, received a decoration of St. Vladimir, and was raised to the rank of a nobleman.

and soon attained a prominent place among Russian political refugees, becoming co-editor, in 1901, of a revolutionary journal, *Iskra* (the *Spark*), in which he expounded the initial development of the theory of bolshevism, and attacked "legal" Marxism and the social revolutionaries. His wife acted as his secretary and was an able collaborator in all his activities.

When the bolshevik group made itself felt within the Social Democratic party in 1903, at the third congress of the party, he led the attack against Martov, Plekhanov, and other mensheviks and later established the first bolshevik paper, *Forward.* At the first Congress of the bolsheviks in 1905, he observed for the first time that the Russian workers in their revolution should not stop with a bourgeois republic, but should carry it through to a socialist commonwealth. He began his bitter attacks against social democratic parliamentarism.

He returned to Russia during the revolution of 1905, and observed the soviets at work, although he obeyed the orders of the party and remained for the most part in hiding. His influence as adviser on the movement during those days was considerable. Later he worked out a possible technique for the revolution of the future and urged that, in the next revolutionary crisis, the proletariat should gain the adherence of the peasants, and raze to the ground the monarchy, landlordism, and all the survivals of the Middle Ages. This portion of the revolution, characterized by cooperation with the peasants as a whole, would be the bourgeois phase. When this phase was completed, the proletariat should then ally themselves with the semi-proletariat, and overthrow the bourgeoisie. This would be the socialist revolution, as distinguished from the bourgeois revolt.

Following the revolution of 1905, he lived in Finland, Switzerland and France, editing socialist journals and conducting exhaustive researches into the works of Marx and Engels and other revolutionary writers. For two years he worked early and late at these researches in the Paris National Library.

During this time he wrote much concerning the rôle of the soviets during the next revolutionary crisis. In 1912, when the bolsheviki were permitted to publish a legal paper in St. Petersburg, he traveled to Galicia, and from there advised constantly with his followers in Russia regarding the best tactics to pursue.

The war found him in Austria where he was at first imprisoned as an enemy alien. He was finally released and went to Switzerland. Here he urged that the Russian workers should take advantage of the chaos of the war to prepare for the revolution. He participated actively in the Zimmerwald Conference, the first conference of the socialists in Allied and Central Powers following the outbreak of the war, called for the purpose of securing working class action in behalf of peace.[3]

On returning to Russia, Lenin demanded that immediate peace negotiations be undertaken and that a restatement of war aims be obtained from the Allies. In the middle of May, Guchtov, the Premier, resigned as a result of growing criticism, while a few days later Miliukov presented his resignation.

Leon Trotsky.—On May 17, Leon Trotsky returned to Russia, giving additional impetus to the left wing movement. In many ways Trotsky was the very opposite of Lenin. While Lenin gave the appearance of great calm and reserve, and usually held the crowd by the sheer logic of his statements and with no attempt at oratory, Trotsky was a man of impulsive, emotional temperament, a fiery and eloquent orator. Lenin was a Catholic of the orthodox church, a descendant of the nobility. Trotsky was a member of a race which had long been subjected to brutal persecution by the Czarist government.

On his return to Russia in 1917 Trotsky was about forty years of age. Leaving the University of Odessa in the late nineties, he had thrown himself into revolutionary work in behalf of the Russian masses. His first period of work was of short duration. Arrested for his activity, he was

[3] See Levine, Isaac Don, *The Man Lenin;* Williams, A. R., *Lenin, the Man and His Works;* Trotsky, Leon, *Lenin.* Lenin died Jan. 21, 1924.

placed in solitary confinement in Odessa. As in the case of most revolutionists, he took advantage of his imprisonment to devour book after book. After two and a half years of confinement, he was exiled to Eastern Siberia, only to seize the first opportunity to escape.

During the following years he devoted much energy to uniting the revolutionary groups into one strong Social Democratic party. His first pamphlet in 1903 dealt with the controversies between the two factions of the Social Democratic party which later became the bolsheviki and the menshiviki, and attempted to effect a reconciliation between these two groups which professed the same Marxian theory and the same revolutionary aim. These attempts failed, but Trotsky for years did not give up hope of success.

By 1905, the year of the first revolution, he had already become popular as a pamphleteer. He looked forward in Russia to a violent rising of the masses, headed by organized labor, which should forcibly overthrow the bureaucracy and establish an era of democratic freedom. Prior to the revolution he urged a general political strike. He hailed the 1905 revolution as a means of lifting "the people over scores of steps, up which in times of peace we should have had to drag ourselves with hardships and fatigue."[4]

It was also during this great upheaval that Trotsky framed his theory of the immediate transition from monarchism to socialism. His line of reasoning was as follows: The working class is the only real revolutionary power. The capitalists are weak and incapable of effective resistance. The intellectual groups are of little account. The peasants are politically primitive, and yet they have a consuming thirst for land. "Once the revolution is victorious, political power passes into the hands of the class that has played a leading rôle in the struggle, and that is the working class."[5] To ensure permanent control, the working class must win over the peasants. This would be possible by

[4] Trotsky (edited by Olgin) *Our Revolution* (N. Y.: Holt, 1919) pp. 9, 10.
[5] *Ibid.*, pp. 10-11.

recognizing the agrarian changes brought about by the peasants during the revolutionary crisis, and by developing a radical agrarian legislative program. "Once in power, the proletariat will appear before the peasantry as its liberators." To imagine the social democrats playing a leading rôle in the revolution and the provisional government, "only to step aside when the democratic program is to be put into operation, to leave the completed building at the disposal of the bourgeois parties and thus to open an era of parliamentary politics where social democracy forms only a party of opposition—to imagine this would be to compromise the very idea of a labor government." Moreover, "once the representatives of the proletariat enter the government not as powerless hostages, but as a leading force, the divide between the minimum program and the maximum program automatically disappears, collectivism becomes the order of the day," because "political supremacy of the proletariat is incompatible with its economic slavery." [6]

In 1905 Trotsky felt that the hour may have struck. When a soviet was formed, in St. Petersburg, Trotsky became one of its leading spirits. At this time he showed his great ability as an administrator, speaker and writer of short, stirring articles, comprehensible to the masses. "The soviet," he afterwards wrote, "was the organized authority of the masses themselves over their separate members. This was a true, unadulterated democracy, without a two chamber system, without a professional bureaucracy, with the right of the voters to recall their representative at will and to substitute another." [7]

Following the break-up of the soviets by the government, Trotsky was arrested and imprisoned. In prison he continued writing. After twelve months of solitary exile, he was sentenced to life imprisonment in Siberia. In January, 1907, he started his trip to Northern Siberia. Crowds gathered at every station to see him and the other "workingmen's deputies." In Tiumen he left the railroad train to take a sleigh to his destination. Watching his chance, he

[6] *Ibid.*, pp. 11-12.

[7] *Ibid.*, p. 14.

managed to escape and on a sleigh drawn by reindeers crossed a wilderness of snow and ice 500 miles in extent. He finally left the country and established his home in Vienna where he lived until the outbreak of the War, working for the social democracy and editing a revolutionary magazine which was smuggled into Russia. Visiting the Balkans during the Balkan war as a war correspondent, he became more of an internationalist than ever. He was finally forced as an enemy alien to leave Vienna for Switzerland. He wrote vigorously against war, moved to Paris, was compelled to leave France for Spain, and finally came to the United States, where he wrote for radical journals.

When the March revolution took place, he hastened to Russia, believing that it would be but the beginning of a European revolt. "If the first Russian revolution," he wrote, "brought about revolutions in Asia—in Persia, Turkey, China—the second Russian revolution will be the beginning of a momentous social revolutionary struggle in Europe. Only this struggle will bring real peace to a blood-stained world."

The Kerensky Government.—In the meanwhile during the spring of 1917 the western military front were becoming ever more demoralized. The resignation of Miliukov and Guchtov led to the organization of a new Ministry with six socialists thereon, as against nine non-socialists. The bolsheviks opposed this Ministry, Trotsky urging that everything be done to transfer power to the revolutionary proletariat. The peasants became ever more insistent on a solution of the land question, a peasant congress meeting about that time urging the abolition of private property in land and natural resources, without compensation. On June 22 the All-Russian Congress of Soviets met. Kerensky at this congress urged the continuance of the war, while Lenin characterized such continuance as "an act of treason against the socialist international." The congress, however, supported the coalition ministry, and expressed its belief that the passing of all power to the soviets would alienate elements still capable of serving the revolution.

The defeat of the July offensive on the western front and

delay in land and industrial reforms, led in mid-July to a great demonstration against the coalition Ministry, and to its resignation. Kerensky became Premier. The soviets supported him against the opposition of the bolsheviki. Trotsky, Kollontay and others were arrested for alleged collusion with German authorities in organizing the July revolt. A new government was formed with four socialist and two liberal parties represented.

But the war continued to go badly on the Russian front. Kornilov, asked by Kerensky to give up command of the army, moved instead on Petrograd. The soviets constituted the chief defense of the city. Through the power of numbers and oratory, they persuaded Kornilov's soldiers to lay down their arms. Kerensky was appointed commander-in-chief, but his power was weakened and the bolshevik argument against a coalition government strengthened.

The November Revolution.—During the summer and the fall, the Provisional Government lacked a definite policy on the land, war and industrial questions, while the bolsheviks were demanding that full power be given to the soviets; that land be immediately distributed without compensation, that industries be socialized and workers' committees be formed, and that immediate negotiations be started for a general, democratic peace. These proposals struck a popular chord. Russia swung more and more to the left.

Under pressure from the bolsheviks, an All-Russian Congress of Soviets was called for November 7. The calling of this assembly was a signal to the bolsheviks to prepare for the capture of the governmental machinery. They felt that the congress would approve their aim, but they desired to be backed by force. They brought to their side the Petrograd garrison. On November 4, 1917, they announced "Petrograd Soviet Day." Great crowds demonstrated against the Kerensky government. The Semyonovski regiment, by a large majority, decided to cast their fortunes with the soviets. The insurgents occupied the Fortress of Peter and Paul, and during the next two days, took charge

of railroad depots, through their Military Revolutionary Committee and occupied telegraph stations, the state bank and similar institutions. On the night of November 6, many strategic points were captured by the bolsheviks without struggle or bloodshed. On November 7 the Winter Palace, the headquarters of the Provisional Government, was surrounded, and at one o'clock in the afternoon, Trotsky announced that the government of Kerensky had ceased to exist. The Winter Palace was taken that night. Kerensky fled and other ministers were arrested and imprisoned in the Fortress of Peter and Paul.

With the taking of the Winter Palace, power passed immediately to the Military Revolutionary Committee. The next night, the social revolutionists and mensheviks were asked to participate in the establishment of a Soviet government. They hesitated on the ground that all parties, anti-soviet as well as soviet, should be asked to form the Cabinet. The bolsheviks thereupon assumed control and selected an all-communist government. Lenin was elected president and Trotsky the Minister of War.

Opposition to the bolsheviks immediately developed, and hundreds of opponents to Soviet government, socialist and non-socialist, were imprisoned on account of this opposition. Kerensky and others secured the support of Cossacks, who, however, were decisively defeated by the bolsheviks.

"All Power to the Soviets."—During these days, one of the burning questions was whether the soviets should take supreme charge of governmental affairs, or whether power should be left to the Constituent Assembly, elected by the vote of the Russian people. The bolsheviks raised the shibboleth, "All Power to the Soviets." They claimed that:

(1) A republic of the soviets was a higher form of democracy than the ordinary bourgeois republic with a Constituent Assembly, and "the only form capable of securing the most painless transition to socialism";

(2) The Russian people had gone far to the left in their social thinking between the elections for the Constituent Assembly, and January, 1918, the time fixed for its ses-

sions. The Constituent Assembly therefore did not fairly represent the people when it came together in January.

(3) The civil war which the rebellion of the Kaledinites started "against the soviet authority, against the workers and peasants' revolution, . . . destroyed all chances of settling in a formal democratic way the acute problems raised by history before the peoples of Russia and more particularly before the Russian working-class and peasantry."

(4) The reactionaries were striving for the retention of power by the Constituent Assembly in an effort to defeat the aims of the November revolution, and only a complete victory over the capitalist and landlord group would preserve the fruits of the revolution.

(5) The soviets more nearly represented than did the Assembly the most recent point of view of the Russian people on the need for peace.[8]

On January 9, after the Assembly had agreed to most of the demands of the soviets, with the exception of that for the transfer of power to them, the Assembly was dissolved. Following the dissolution came the negotiations of the Soviet government for peace at Brest-Litovsk; the ending of Russian participation in war and the final adoption of the Soviet Constitution on July 10, 1918.

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[8] See *Pravda,* January 8, 1918; reprinted in Lenin's, *The Proletarian Revolution* (London: B. S. P.)

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CHAPTER XXV

PRINCIPLES AND TACTICS OF COMMUNISM

The Communist Manifesto of the Third International (1919)

Followers of Marx and Engels.—On what concepts were based the communist tactics in promoting the November revolution, and establishing the soviet form of government? The communist point of view was most authoritatively stated in the *Manifesto* issued by the First Congress of the Communist International held in Moscow, March 2–6, 1919, and signed by Lenin, Trotsky, Zinoviev, Rakovsky and Fritz Platten, the last named of the Swiss Socialist party.[1]

This *Manifesto* begins by recalling the fact that seventy-two years have passed since the issuance of the Communist Manifesto, written by Marx and Engels in 1847; that, during the seven intervening decades, the revolutionary movement has undergone many successes and many defeats; but that, "in spite of all, the development at bottom went the way forecast by the Manifesto of the Communist party. The epoch of the last decisive battle came later than the apostles of the social revolution expected and wished. But it has come."

The communists, representing the revolutionary proletariat of the countries of the world, "consider ourselves followers and fulfillers of the program proclaimed seventy-two years ago. It is our task now to sum up the practical revolutionary experience of the working class, to cleanse the movement of its admixtures of opportunism and social patriotism, and to unite the forces of all the true revolution-

[1] Given in full in Appendix of Postgate, *Bolshevik Theory*.

ary proletarian parties in order to further and hasten the complete victory of the communist revolution."

Imperialist War Has Brought Increasing Misery.—For many years, the Manifesto continued, socialism predicted the inevitability of an imperialist war. It perceived the essential cause of the World War "in the insatiable greed of the possessing classes in both camps of capitalist countries. . . . The contradictions of the capitalist system were converted by the war into degrading torments of hunger and cold, epidemics and moral savagery, for all mankind. Thereby the academic quarrel among socialists over the theory of increasing misery, and also of the undermining of capitalism through socialism, is now finally determined. Statisticians and teachers of the theory of reconciliation of these contradictions have endeavored for decades to gather together from all countries of the earth real and apparent facts to prove the increasing well-being of the working class.

"But we are faced today with the harrowing reality of impoverishment, which is no longer merely a social problem. but a physiological and biological one. This catastrophe of the imperialist war has with one sweep swept away all the gains of experts and of parliamentary struggles."

Finance-Capital Is Being Militarized.—Finance-capital, which has flung mankind into the abyss of war, has also suffered. The complete deterioration of paper money reflects the general deadly crisis of capitalist commodity exchange. The war has taken the regulating rôle out of the hands of monopolies, which replaced free competition, and has given it directly to the military power. "Finance-capital has, through this mass slaughter, completely militarized, not the state alone, but itself also. It can no longer fulfil its essential economic functions otherwise than by means of blood and iron."

The opportunists who, before the war, preached moderation, and, during the war, submission to the Fatherland, are now urging the workers to self-abnegation. If these preachings were listened to, "capitalism would build out of the bones of several generations a new and still more formidable structure, leading to a new and inevitable world war. For-

tunately for humanity this is no longer possible." The absorption by the state of economic life has already become a fact. The main question now is, "what shall be the future mainstay of state production, the imperialist state or the state of the victorious proletariat?" In other words shall the working class "become the feudal bond-servants of the victorious Entente bourgeoisie, which, under the name of the League of Nations . . , here plunders and murders, there throws a crumb, but everywhere enchains the proletariat? . . . Or will the working class take into its own hands the disorganized and shattered economic life and make certain its reconstruction on a socialist basis?"

National State Too Narrow.—Only the dictatorship of the proletariat can shorten the period of the present crisis. To this end it will mobilize its forces, introduce the universal duty to labor, and establish the regime of industrial discipline. The national state, which was given a tremendous impetus by capitalist evolution, has become too narrow for the development of the productive forces. The big states are now trying to dominate the small ones and to make the backward countries their slaves. The war has brought these backward countries by force into the capitalist whirlpool. The battle goes on for their liberation and socialist Europe will come to the aid of the liberated colonies with its technique and spiritual forces in order to facilitate their transition into the orderly system of socialist economy.

Bourgeois Democracy Undemocratic.—The whole bourgeois world accuses the communists of destroying liberty and political democracy. "That is not true. Having come into power the proletariat only asserts the absolute impossibility of using the methods of bourgeois democracy and creates the conditions and forms of a higher working class democracy. The whole course of capitalist development undermined political democracy, not only by dividing the nation into two irreconcilable classes, but by condemning the numerous petty bourgeois and semi-proletarian elements, as well as the slum proletariat, to permanent economic stagnation and political impotence."

In countries where the opportunity has permitted, the working class has utilized the regime of political democracy for its organization against capitalism. But whole layers of the population on the farm have remained stagnant. Those who have been thus thrust aside from the main road of development by capitalism are nominally permitted under the regime of political democracy to take part in the administration of the state. In reality, however, the finance-oligarchy decides all important questions which determine the destinies of nations behind the back of parliamentary democracy. Particularly was this true of the war question.

"If the finance-oligarchy considers it advantageous to veil its deeds of violence behind parliamentary votes, then the bourgeois state has at its command, in order to gain its ends, all the traditions and attainments of former centuries of upper-class rule, multiplied by the wonders of capitalist technique: lies, demagogism, persecution, slander, bribery, calumny and terror. To demand of the proletariat in its final life and death struggle with capitalism that it should obey lamblike the precepts of bourgeois democracy would be the same as to ask the man who is defending his life against robbers to follow the artificial rules of a French duel that have been set by the enemy but not followed by him."

Soviets.—The proletariat must create its own apparatus to serve as a bond of unity. This apparatus is the workers' soviets. The institution "embraces the entire working class, without distinction of vocation or political maturity, an elastic form of organization capable of continually renewing itself, expanding and of drawing into itself ever new elements, ready to open its doors to the working groups of village and city which are near to the proletariat. This indispensable autonomous organization of the working class in the present struggle and in the future conquests of different lands tests the proletariat and represents the greatest inspiration and the mightiest weapon of the proletariat of out time. . . . By means of these soviets the working class will gain power in all countries most readily and most certainly when these soviets gain the support of the majority

of the laboring population. By means of these soviets the working class once attaining power will control all the fields of economic and cultural life."

The Manifesto declares that the denunciation of civil war by the bourgeoisie is sheer hypocrisy, since there would have been no civil war in Russia had the capitalists not brought the workers to the verge of ruin. Communists were trying to shorten the duration of civil war as much as possible. "This makes necessary the disarming of the bourgeoisie at the proper time, the arming of the laborer and the formation of a communist army as a protector of the rule of the proletariat and the inviolability of the social structure."

The Failure of the Second International.—Conscious of the world character of the movement, the communists are forming another international. The First International organized in 1864 was undermined by the Franco-Prussian war. The Second International arose in 1889. During its existence "the center of gravity of the labor movement rested entirely on national ground, confining itself within the realm of national parliamentarism to the narrow compass of the national state and national industries. Decades of organizing and labor reformism created a generation of leaders, most of whom gave verbal recognition to the program of social revolution but denied it in substance. They were lost in the swamp of reformism and adaptation to the bourgeois state. The opportunist character of the leading parties of the Second International was finally revealed—and led to the greatest collapse of the movement in all history—when the events required revolutionary methods of warfare from the labor parties. Just as the war of 1870 dealt a death-blow to the First International by revealing that there was not, in fact, behind the social revolutionary program any compact power of the masses, so the war of 1914 killed the Second International by showing that above the consolidated labor masses there stood labor parties which converted themselves into servile organs of the bourgeois state." The leaders of the Second International appear as before the war with proposals of compromise and reconciliation, thus lengthening the period of crisis and

increasing the misery of Europe. "War against the socialist center is a necessary condition of successful war against imperialism."

Communist Tactics Elaborated.—This statement indicates the spirit of the new communist force which came into control as a result of the November revolution and something of its theories and tactics. It is followed by a more concrete program which will be referred to later. It is seen that the communists differed from Kautsky and other Marxians who led the movement prior to the war, not so much in ultimate ideals as in the tactics which should be pursued in getting control of government and industry and in retaining control during the transitional period.

Revolution by Force.—In the first place, communists have no faith in the achievement of a social revolution through the peaceful means of the ballot, aided by economic, cooperative and general educational activity. During times of peace, while the proletariat is preparing itself for the crisis, it is legitimate, they maintain, to use parliamentary methods, to go into election campaigns and to send representatives to parliament. For political campaigns give to the communists an opportunity "to speak to the working class, pointing out the class character of the state and their class interests as workers. They enable them to show the futility of reforms, to demonstrate the real interests which dominate the capitalist—and 'yellow' socialist—political parties, and to point out why the entire capitalist system must be overthrown." They also prepare the people, the communists believe, to accept communist leadership more readily during a revolutionary crisis. If communists are elected to parliament, they are in a position ceaselessly "to expose the real nature of the capitalist state," and "against the sounding board of the nation," to "show up capitalist brutality and call the workers to revolt."[2]

However, they should regard the parliamentary struggle of only secondary importance,[3] as the "parliamentary

[2] Zinoviev's letter to I. W. W. in Postgate, *The Bolshevik Theory*, p. 234.

[3] See Program of *Communist Manifesto* of 1919.

struggle is only a school, a fulcrum, for the organization of the extra-parliamentary struggle of the proletariat. . . . The essential questions of the labor movement within the capitalist order are settled by force, by open struggle, the general strike, the insurrection of the proletarian masses." [4]

The Class State.—The communists' theory of force in capturing the state is based partly on their conception of the state as an instrument of class rule. The aim of the state, they maintain, is the creation of an order that will legalize and perpetuate class oppression by moderating the forces that make for collision between the classes.[5]

With the intensification of class antagonisms within the state, and the growth of population and of the size of rival states, the armed forces at the disposal of the state increase. With the coming of the era of imperialism the whole world has been finally divided between rival conquerors. With this development, military and naval armaments have grown to enormous proportions. Thus, as imperialism advances, it becomes increasingly difficult for the workers to get control of the state machinery, dominated as it is by the capitalist class.

Limitations in Control Through Ballot.—It is true that the workers in many countries have the vote, and can elect to office those representing them. But, as the Manifesto declares, "finance-capital decides all important questions . . . behind the back of parliamentary democracy."

Moreover, as Lenin asserts, "if we look more closely into the mechanism of capitalist democracy everywhere—in the so-called petty details of the suffrage (the residential qualifications, the exclusion of the women, etc.) ; in the technique of the representative institutions, in the actual obstacles to the right of meeting (public buildings are not for the poor) ; in the purely capitalist organization of the daily press, etc., etc.—on all sides we shall see restrictions upon restrictions of democracy. These restrictions, exceptions, exclusions, obstacles for the poor, seem light—especially in

[4] Stalin, *Leninism*, p. 23.
[5] Lenin, *The State and Revolution*, pp. 8 ff.

the eyes of one who has himself never known want, and has never lived in close contact with the oppressed classes in their herd life, and nine-tenths, if not ninety-nine hundredths of the bourgeois publicists and politicians are of this class! But in their sum these restrictions exclude and thrust out the poor from politics and from an active share in democracy. Marx splendidly grasped the *essence* of capitalist democracy, when, in his analysis of the experience of the commune, he said that the oppressed are allowed, once every few years, to decide which particular representatives of the oppressing class are to represent and repress them in politics."[6] This situation makes it exceedingly difficult for the workers, even though in a majority, to obtain a majority control of representatives in the various legislative bodies, and thus to accomplish a change of the economic system through parliamentary action.

Reaction of Middle Class Limits Democracy.—A further difficulty according to Trotsky is the reactionary rôle which the middle class is likely to play when it comes to a period requiring revolutionary action. Under democracy, Trotsky declares, "the middle class is generally the arbiter of the fate of the other two classes." But this class has increasingly lost its social importance, brings less and less values to the general income and proves less capable "of playing the part of an authoritative arbitral judge in the historical conflict between capital and labor. The formal equality of all citizens as electors thereby only gives more open indication of the incapacity of democratic parliamentarism to settle the root questions of historical evolution. An 'equal' vote for the proletariat, the peasant, and the manager of a trust formally placed the peasant in a position of a mediator between the two antagonists; but, in reality, the peasantry, socially and culturally backward and politically helpless, has in all countries always provided support for the most reactionary, filibustering and mercenary parties, which, in the long run, always supported capital against labor. . . . Occupying in parliamentary

[6] Lenin, *op. cit.*, p. 89.

politics a place which it has lost in production, the middle class has finally compromised parliamentarism, and has transformed it into an institution of confused chatter and legislative obstruction. From this fact alone, there grew up before the proletariat the problem of seizing the apparatus of state power as such, independently of the middle class, and even against it—not against its interests, but against its stupidity and its policy, impossible to follow in its helpless contortions.''[7] The helplessness of the middle classes and their parties everywhere, Trotsky continues, was made patent to all as a result of the World War, which placed democracy completely at the service of imperialism. During this period, the capitalists took supreme control of the army, disposing of the revolutionary proletariat, while the middle class looked on in terror.

Since the war the capitalists have shown their complete inability to bring the people out of the terrible post-war situation. The intermediate political groups are ''rotting alive.'' Nor has the proletariat been able to secure a majority of votes. ''History has not transformed the nation into a debating society solemnly voting the transition to the social revolution by a majority of votes. On the contrary, the violent revolution has become a necessity, precisely because the imminent requirements of history are helpless to find a road through the apparatus of parliamentary democracy.''

Capitalist and Proletariat Give Their Views.—''The capitalist bourgeois,'' Trotsky continues, ''calculates: 'while I have in my hands lands, factories, workshops, banks; while I possess newspapers, universities, schools; while—and this most important of all—I retain control of the army; the apparatus of democracy, however you reconstruct it, will remain obedient to my will. I subordinate to my interests spiritually the stupid, conservative, characterless lower middle class, just as it is subjected to me materially. I oppress, and will oppress, its imagination by the gigantic scale of my buildings, my transactions, my plans, and my crimes. For moments when it is dissatisfied and

[7] Trotsky, *Dictatorship* vs. *Democracy*, pp. 33-4.

LEON TROTSKY (1877-)

murmurs I have created scores of safety-valves and lightning-conductors. At the right moment I will bring into existence opposition parties, which will disappear tomorrow, but which today accomplish their mission by affording the possibility of the lower middle class to express their indignation without hurt therefrom for capitalism. I shall hold the mass of people, under cover of compulsory general education, on the verge of complete ignorance, giving them no opportunity of rising above the level which my experts in spiritual slavery consider safe. I will corrupt, deceive and terrorize the more privileged or the more backward of the proletariat itself. By means of these measures, I shall not allow the vanguard of the working class to gain the ear of the majority of the working class, while the necessary weapons of mastery and terrorism remain in my hands.'

"To this the revolutionary proletarian replies: 'Consequently the first condition of salvation is to tear the weapons of domination out of the hands of the bourgeoisie. It is hopeless to think of a peaceful arrival to power while the bourgeoisie retains in its hands all the apparatus of power. Three times over hopeless is the idea of coming to power by the path which the bourgeoisie itself indicates and, at the same time, barricades—the path of parliamentary democracy. There is only one way: to seize power, taking away from the bourgeoisie the material apparatus of government. Independently of the superficial balance of forces in parliament, I shall take over for social administration the chief forces and resources of production. I shall free the mind of the lower middle class from their capitalist hypnosis. I shall show them in practice what is the meaning of socialist production. Then even the most backward, the most ignorant, or most terrorized sections of the nation will support me, and willingly and intelligently will join in the work of social construction. . . .

"Speaking generally, the attainment of a majority in a democratic parliament by the party of the proletariat is not an absolute impossibility. But such a fact, even if it were realized, would not introduce any new principle into the course of events. The intermediate elements of the intelli-

gentsia, under the influence of the parliamentary victory of the proletariat, might possibly display less resistance to the new regime. But the fundamental resistance to the new regime would be decided by such facts as the attitude of the army, the degree to which the workers were armed, the situation in the neighboring states: and the civil war would develop under the pressure of these most real circumstances, and not by the mobile arithmetic of parliamentarism."[8]

Communist Technique of Revolution.—Granting that the seizure of political power is not coming through the ballot box, through the election of a majority of representatives to office, but through a violent upheaval, what should be the nature of that upheaval? To that question the communists reply that that of course depends on circumstances. In general they point to the methods pursued in the Russian revolution. Before the crisis which, in their opinion, would make the situation ripe for the revolution, they would, as has been indicated, make use of elections and parliamentary action for propaganda purposes. They would educate and agitate among the city workers, the peasantry and other groups. They would organize "communist cells" in trade unions. Where possible they would work openly; where that was impossible, secretly and illegally. They would place chief reliance not on the workers in general, but on a conscious, militant, revolutionary minority of the workers in city industries. For "only the proletariat—on account of its economic rôle in production on a large scale—is capable of leading *all* the toiling and exploited masses, who are exploited, oppressed, crushed by the capitalists even more, not less, than the town proletariat, but are unable to carry on the struggle for freedom unaided."[9]

As the crisis drew near, they would organize soviets or councils of workers, of peasants, of soldiers, as in the Russian revolution, as centers for revolutionary activity. At

[8] *Ibid.*, pp. 36-7, 42-3; see also Radek, *The Development of Socialism from Science to Practice*, p. 20; Postgate, *The Bolshevik Theory*, pp. 47 ff.

[9] Lenin, *State and Revolution*, p. 28.

opportune moments, they would organize street demonstrations to show each other and the people their strength, to arouse the revolutionary enthusiasm of their fellows, to put fear in the hearts of their opponents. They would inaugurate general strikes, so as to paralyze economic life, create chaos, and demonstrate the spirit of solidarity. They would agitate with might and main among the soldiers, and urge insurrection in the army and navy, so that, at the strategic time, the armed forces might be on their side. And, at a concerted moment, they would arm the proletariat, seize strategic positions in the economic and political life of the country—munition plants and arsenals, the press, the means of communication and transportation, the sources of light and power and the public buildings—and proclaim their control of the nation.[10]

Ripeness for the Social Revolution.—Of course the question of the opportune, the ripe time, for a *coup d'état* leading to the conquest of political power is of supreme importance. For if the time were unripe, the attempted revolt might lead to a counter-revolution and to the setback of the revolutionary movement for decades.

What is the criterion of ripeness, from the communist point of view? Negatively, it is not the criterion put forth by some of the opponents of communism, namely, the knowledge that the majority of the people are on their side. For the communists argue that it is impossible to tell beforehand when a majority is with the revolters, "for in no capitalist state would the democracy be left free by the capitalists to convince itself that it had a majority of people at its back." Furthermore, it is difficult, if not impossible, for the militant minority to convince the inert majority by mere agitation before the revolution that a revolution should take place. For the majority have a great distrust of their own powers, and "it is only during the revolution that the more advanced and self reliant of the working class can carry with them the big masses."[11]

Nor is it necessary, writes Postgate, "to convince all the slaves before they are freed. The Prussian serfs presented

[10] See Stalin, *Leninism*, p. 97. [11] Radek, *op. cit.*, pp. 20-1.

a petition against their freedom. The majority of Negro slaves in America apparently viewed the change of their status with resentment. But that does not prove that Abraham Lincoln was a scoundrel. If it is necessary, says the bolshevik in effect, to suspend in name freedoms that are actually disappearing in fact, in order that freedom for all may not utterly disappear but become a fact, then the sacrifice must be made in spite of the danger.'' [12] However, communists should not ignore the sentiment for and against the revolution, and should sense whether either the active or the passive support of their revolutionary action was strong enough and their opponents weak enough to guarantee the success of the revolutionists.

Nor is it necessary, as many socialists maintain, for a country in which a social revolution is planned, to have a highly developed capitalist system and a proletariat which constitutes a majority of the population and which has been trained, educated and disciplined under highly industrialized conditions.

Russia Ready for Revolution.—''The day and the hour when political power shall pass into the hands of the working class, is determined not directly by the degree of capitalistic development of economic forces,'' declared Trotsky, ''but by *the relation of the class struggle, by the international situation, by a number of subjective elements, such as tradition, intuition, readiness to fight. . . . To imagine that there is an automatic dependence between the dictatorship of the proletariat and the technical and productive resources of a country, is to understand economic determinism in a very primitive way.* Such a conception would have nothing to do with Marxism.'' [13]

''The front of capital will not be necessarily pierced where industry is most developed,'' declares Stalin. ''It will be broken where the chain of imperialism is the weakest, for the proletarian revolution is the result of the rupture of the chain of the imperialist front at its weakest point. So then it is possible that the country which begins the revolu-

[12] Postgate, *Bolshevik Theory*, p. 67.
[13] Trotsky (edited by Olgin), *Our Revolution*, pp. 84-5.

tion, which makes a breach in the capitalist front, may be less developed from the capitalist point of view than others which remain, nevertheless, within the framework of capitalism.''

In 1917 the chain was weakest in Russia, Stalin continues, ''for in Russia there unfolded a great popular revolution led by the proletariat which had for itself so important an ally as the peasantry, oppressed and exploited by the landed proprietors.'' Moreover, ''the revolution had czarism as its opponent, the most hideous representative of imperialism, deprived of all moral authority and hated by the whole people.'' [14]

Positively, the communists would choose a time for the decisive ''coup'' and the insurrection, when the crisis had attained its highest pitch, or when the vanguard, sure of the support of the reserves, was ready to engage in battle to the bitter end, or when the disorder was worst in the ranks of the enemy.[15] No insurrection should be started if it has to be left unfinished, the communists assert.

''When all the forces of classes hostile to us are sufficiently wasted in internecine quarrels and weakened in their mutual strife,'' says Lenin, ''when all the intermediate elements which are hesitating and unstable (i.e., the petit bourgeoisie) are sufficiently unmasked, and their prestige lowered by their failure in practice; when the mass of the proletariat begins to applaud the most revolutionary acts against the bourgeoisie, then the time is ripe for revolution. Then if we have been keeping good account of all the conditions enumerated above, and have well chosen the moment, our victory is assured.'' [16]

It follows that, when the workers have a chance to succeed in gaining control and administrating industry in their own interest, ''they have no right to let their fellows sink into the capitalist bog only out of fear that the young proletariat would not be able to control the forces which had been combined together by capitalism.'' [17]

It is better, they assert, for the workers to seize control,

[14] Stalin, *Leninism*, pp. 35-36.
[15] *Ibid.*, p. 98.
[16] See *Ibid.*, pp. 98-9.
[17] Radek, *op. cit.*, p. 13.

and, after control, learn the technique of administration under conditions favorable to the development of the proletariat than to remain outside of the administrative machinery until, under unfavorable conditions, the workers shall have learnt the technique of management.

Furthermore, it must be realized that capitalist countries are now so interrelated that a revolution in a backward country is likely to draw into the vortex of revolution the more advanced lands of the Continent, which will then be in a strategic position materially to assist the less developed country in its industrial advance. Most of the revolutionary leaders in Russia, it may be said, were firmly convinced that a revolutionary conflagration in Russia would encompass Europe and "then the revolutionary impulse in Europe" would react upon Russia and reduce the duration of the revolution to a few years.[18]

Shattering the State Machine.—Assuming that the time is ripe for an insurrection, and the workers obtain control of the political machinery, what then? Should they *use* or *shatter* the state machine? The communists maintain that the latter should be done. The "conquest of political power," they contend, means "not merely a change in the personnel of ministries, but annhiliation of the enemy's machinery of government: disarmament of the bourgeoisie, the counter-revolutionary officers, of the White Guard; the arming of the proletariat, the revolutionary soldiers, the Red Guard, the working men; displacement of all bourgeois judges and organization of all proletarian courts; elimination of control by reactionary officials and substitution of new organs of management of the proletariat. The victory of the proletariat consists of shattering the enemy's organization and organizing the proletarian power; in the destruction of the bourgeoisie and upbuilding of the proletarian state machinery. Not until the proletariat has achieved this victory and broken the resistance of the bourgeoisie can the former enemies of the new order be made useful, by bringing them into accord with its work." [19]

[18] See quotation of Lenin (1905) in Stalin, *Leninism*, p. 39.
[19] From the Program of the *Communist Manifesto* of 1919.

Prior to the November revolution, Lenin urged as of prime importance in the work of "shattering the bourgeois state," the lowering of the salaries of the state officials to the "ordinary pay of the workers," after the practice in the Paris Commune, for this would do much to wipe out the old privileged bureaucracy, one of the greatest bulwarks of the old political state.[20]

Following the revolution, he expressed his regrets that the soviet was forced "to make use of the old bourgeois method and agree to a very high remuneration for the services of the biggest of the bourgeois specialists. . . . It is clear that such a method is a compromise, that it is a defection from the principles of the Paris Commune and of any proletarian rule, which demands the reduction of salaries to the standard of remuneration of the average workers—principles which demand that 'career hunting' be fought by deed, not by words."[21] The abolition of the standing army and the substitution of the citizen army, and the transformation of officials into elective and removable agents of the state were also suggested by Lenin in August of 1917 as among the measures which a proletarian government should enact, if it were to break down the old machine.

The Proletarian Dictatorship.—While the communists believe ultimately in the abolition of the state as an organ of one class for the exploitation of another class, they are convinced that, for some time, they should retain a state of the workers, a proletarian dictatorship, "an authority resting on the armed force of the masses, in order that the resistance of the bourgeoisie may be broken, that the reactionaries may be inspired with fear,[22] and that the great mass of the population—the peasantry, the lower middle class, the semi-proletariat—may be properly guided in the work of economic socialist reconstruction."[23]

While it is possible to *defeat* the exploiters at one blow,

[20] Lenin, *The State and Revolution,* pp. 43-5.
[21] Lenin, *Soviets at Work,* pp. 14-15.
[22] See Lenin, *The Proletarian Revolution,* p. 35.
[23] Lenin, *The State and Revolution.*

Lenin maintains, it is not generally possible to *destroy* them or their influence at once. It is impossible to expropriate at once the landlords and the capitalists of a large country and to substitute a working class management of the factories and estates. There is no equality between the exploiters who, for generations, have enjoyed the advantages of education and of prosperity, and the exploited, the majority of whom, even in an advanced country, are cowed, freightened, ignorant, unorganized. For a considerable period after the revolution, the old bourgeoisie will continue to enjoy a considerable advantage. They will have some money, some movable goods, social connections, knowledge of management, the friendship of the technicians, and an incomparably greater understanding of military affairs and international connections than have the workers. They will never submit to the decision of the workers without utilizing every one of these advantages in one or more desperate battles. And, of course, all elements of decay of the old order cannot fail to 'show up' during this period, with a resulting "increase of crime, ruffianism, bribery, speculation and other indecencies. It takes time and *an iron hand* to get rid of this." [24]

The power of resistance of the capitalist class, he declares in another connection, "increases tenfold after its overthrow, even though overthrown only in one country. The power of the bourgeoisie rests not alone upon international capital, upon its strong international connections, but also upon the force of habit, on the force of small industry of which, unfortunately, there is plenty left, and which daily, hourly, gives birth to capitalism and the bourgeoisie, spontaneously, and on a large scale. Victory over the bourgeoisie is impossible without a long, persistent, desperate, life and death struggle; a struggle which requires persistence, discipline, firmness, inflexibility and concerted will action." [25]

The exact nature of the dictatorship will, of course, depend entirely on the conditions of the country in which the

[24] Lenin, *Soviets at Work.*
[25] Lenin, *Left Wing Communism,* p. 10.

revolution is taking place. It cannot be determined in advance. Its necessary condition is the forcible suppression of the exploiters as a class, and, consequently, "an infringement of 'pure democracy,' that is, of equality and freedom, in respect to that class." [26] In Russia it involves the disfranchisement of the bourgeoisie, but this is not a necessary element of proletariat dictatorship. In fact, in Russia, immediately after the Revolution, the dictatorship was not severe or violent in character. The political parties of various sorts continued to exist and bourgeois newspapers to circulate, while capital punishment was abolished and the army demobilized. Then the opposition began to mobilize, the Czecho-Slovaks seized railway stations, anti-bolshevik governments were formed in the East and at Kiev, the Cossacks began their counter-revolutionary attacks, the European countries began to undertake their military enterprises, Lenin and others were violently attacked and the Red Army, the reign of terror and the limitation of political liberty followed.[27]

The Soviets.—The dictatorship of the proletariat during the transitional period expresses itself through the soviet form of government. This form, under which the workers select delegates to the soviets or councils to represent them as occupational or industrial groups, is a better form of proletarian democracy, they claim, than is the parliamentary form. For the soviets reflect and express the moods and changes of view of the masses much more rapidly, much more fully, and much more faithfully than other institutions.[28]

They "are the direct organization of the laboring and exploited masses themselves, which enable them to organize and administer the state by their own efforts in their own manner. The city proletariat, the advance guard of the toiling and exploited, enjoys under this arrangement a position of advantage, due to its being best organized by the large industrial concerns, which enables it best to hold

[26] Lenin, *Proletarian Revolution*, p. 40.
[27] See Kameneff, *The Dictatorship of the Proletariat*, p. 9 ff.
[28] Lenin, *op. cit.*, p. 56.

elections and to control the elected. . . . The indirect elections to the non-local soviets make it easier to arrange for the congresses of the soviets, render the entire apparatus cheaper, more elastic, more accessible to the workers and peasants at a time when life is overflowing and it is necessary rapidly to recall a delegate or to send him to the general congress of soviets." [29]

According to Stalin the soviet organization of the state "uniting legislative and executive power in a single organ and replacing territorial divisions by divisions (factories and workshops) based on the principle of production, . . . directly connects the workers and laboring masses with the governmental apparatus and teaches them how to administer the country." It is the only power that can "withdraw the army from bourgeois command and transform it, the instrument for oppressing the people, into an instrument for freeing it from the yoke of the native and foreign bourgeoisie." It is the only power that can destroy the old bourgeois judicial and administrative apparatus. While "allowing the constant participation of the organizations of the workers in the management of public affairs," it "is able to prepare that gradual disappearance of the state, toward which the development of a communist society naturally tends." Although the soviet state as organized in Russia is not pure democracy, the communists argue, it is more democratic than is bourgeois democracy, the veiled dictatorship of the bourgeoisie. For the bourgeois dictatorship is a dictatorship of a minority, aiming at the exploitation of the majority, while the proletarian dictatorship "directs its attacks against the exploiting minority in the interest of the exploited majority." [30] The bourgeois dictatorship aims to keep the great mass separated from the control and administration of political and economic life; the aim of the proletarian dictatorship is to arouse the masses to ever greater participation in industry and politics.

Socializing Industry.—Once the communists are in power, they should not only endeavor to suppress the bour-

[29] *Ibid.*, p. 30, see also *Soviets at Work.*
[30] Lenin, *Soviets at Work*, p. 35.

geois elements; they should begin the construction of the socialist state; they should adopt a program of socialization. Social ownership does not mean, of course, the "dividing up" of the means of production and exchange, but "the centralization of production and its subjection to a systematic plan." As a first step, declares the 1919 Manifesto, communists should promote the socialization of the great banks, the country's utilities, all communal enterprises, and trustified as well as other industries where the degree of centralization renders social ownership technically practicable.

"As far as the smaller enterprises are concerned [the Manifesto continues], the proletariat must gradually unite them, according to the degree of their importance. It must be particularly emphasized that small properties will in no way be expropriated and that property owners who are not exploiters of labor will not be forcibly dispossessed. This element will gradually be drawn into the socialist organization through the force of example, through practical demonstration of the superiority of the new order of things and the regulation by which the small farmer and the petty bourgeoisie of the city will be freed from economic bondage to usurious capital and landlordism and from tax burdens, especially by annulment of the national debts, etc."

After socialization, the program of the Manifesto asserts, the proletariat should create centralized organs of management and workers' control. In the field of distribution, the following methods are to be considered: "the socialization of wholesale establishments; the taking over of all bourgeois state and municipal apparatus of distribution; control of the great cooperative societies, which organizations will still have an important rôle in the production epoch; the gradual centralization of all these organizations and their conversion into a systematic unity for the rational distribution of products."

All qualified technicians, in the nature of the case, should be utilized, providing they are still capable of adapting themselves to the new system of production. "Far from oppressing them, the proletariat will make it possible for

them for the first time to develop intensive creative work. The proletarian dictatorship, with their cooperation, will reverse the separation of physical and mental work which capitalism has developed, and thus will science and labor be unified. Besides expropriating the factories, mines, estates, etc., the proletariat must also abolish the exploitation of the people by capitalist landlords, transfer the large mansions to the local worker's soviets and move the working people into the bourgeois dwellings."

The "Withering Away" of the State.—While the workers need a state as an instrument for enforcing their will over the "exploiting minority" during the transitional stage from capitalism to socialism or communism, the communist ideal is, as has been pointed out, the elimination altogether of a state, which, to them, stands as a representative of one class for the suppression of another class.

"With the final triumph of the soviet revolution," writes Trotsky, "the soviet system will expand and include the whole population, in order thereby to lose the characteristics of the form of state, and melt away into the mighty system of producing and consuming cooperation." [31]

"We set ourselves, as our final aim," declares Lenin, "the task of the destruction of the state, that is, of every organized and systematic violence against man in general. We do not expect the advent of an order of society in which the principle of the submission of the minority to the majority will not be observed. But, striving for socialism, we are convinced that it will extend further into communism, and, side by side with this, there will vanish all need for force, for the subjection of one man to another, of one section of society to another, since people will *grow accustomed* to observing the elementary conditions of social existence *without force and without subjection.*" [32]

"In order to destroy the state [Lenin declares in another place] it is necessary to convert the functions of the public service into such simple operations of control and bookkeep-

[31] Trotsky, *Dictatorship* vs. *Democracy*, p. 106.
[32] Lenin, *The State and Revolution*, pp. 84-5.

ing as are within the reach of the vast majority of the population, and, ultimately, of every single individual.'' [33]

Again he writes:

''When all, or be it even only the greater part of society, have learnt how to govern the state, have taken this business into their own hands, have established a control over the insignificant minority of capitalists, over the gentry with capitalist leanings, and workers thoroughly demoralized by capitalism—from this moment the need for any government begins to vanish. The more complete the democracy, the nearer the moment when it ceases to be necessary. The more democratic the 'state' consisting of armed workers, which is 'no longer a state in the ordinary sense of the term,' the more rapidly does every form of the state begin to decay. For when all have learnt to manage, and really do manage, socialized production, when all really do keep account and control of the idlers, gentlefolk, swindlers, and such like 'guardians of capitalist traditions,' the escape from such general registration and control will inevitably become so increasingly difficult, so much the exception, and will probably be accompanied by such swift and severe punishment (for the armed workers are very practical people, not sentimental intellectuals, and they will scarcely allow anyone to trifle with them), that very soon the *necessity* of observing the simple, fundamental rules of any kind of social life will become the habit. The door will then be wide open for the transition from the first phase of communist society to its second and higher phase and along with it the complete withering away of the state.'' [34]

How long it will be before the state ''withers away'' after the conquest of political power by the proletariat, no one can tell. Radek is of the opinion that it will take in every country at least a generation, others believe that the period of dictatorship will be shorter. They concede, however, that the social revolution will be a lengthy process; that it cannot be regarded as a twenty-four-hour happening.

[33] *Ibid.*, p. 80.
[34] *Ibid.*, p. 105.

"**To Each According to Needs.**"—Under an ideal communist commonwealth Lenin declares that the principle of "from each according to ability, to each according to needs" should prevail. Until that stage is reached, the principle of equal work and equal pay, he contends, will have to be made effective. Such formal equality of compensation, however, will not mean *actual* equality, inasmuch as workers have varying responsibilities and needs. During the period of formal equality "the state will be necessary, in order to preserve the equality in labor and equality in the distribution of products."[35]

The need principle can be made operative when men "have become accustomed to observe the fundamental principles of social life," and their labor will be "so productive that they will voluntarily work *according to their abilities.* 'The narrow horizon of bourgeois law,' which compels one to calculate, with the pitilessness of a Shylock, whether one has not worked half an hour more than another—this narrow horizon will then be left behind. Then will there be no need for any exact calculation by society of the quantity of products to be distributed to each of its members; each will take freely 'according to his needs.' "[36]

Communism and Marxism.—In all of their writings, the communists have sought to prove that they were but following out the proposals of Marx and Engels. Marx and Engels, they have maintained, felt that the violent overthrow of the state was, for the most part, inevitable; that the bourgeois state machine should be shattered; that a dictatorship of the proletariat should prevail during the transitional period, and that, when classes disappear, the state itself should wither away.

If Marx and Engels failed to point out the way completely, they declared, it was because the fathers of modern socialism lived "in a pre-revolutionary epoch, when imperialism was still in an embryonic condition, when the proletarians were only preparing themselves for the revolution, when the proletarian revolution was not yet a direct,

[35] Lenin, *The State and Revolution,* p. 97.
[36] *Ibid.,* p. 99.

practical necessity."[37] And in all of their writings, the communists lay great stress on the lessons of the Paris Commune of 1871, "the first, though still pale dawn," as Lavrov would have it, "of the proletarian revolution."[38] For it was the Commune of Paris which suggested a proletarian state machinery different from that of the capitalist state, a machinery after which, in part, the soviets were patterned; it was the Commune which showed to the communists the need for the use of force against the counter-revolution, and it was the final downfall of the Commune which convinced the communists, among other things, that the proletariat, when they obtained control of the government, should be prepared to use sufficient force to suppress all attempts at reaction.[39]

Communist tactics have changed in many ways since the November Revolution in 1917. For one thing, communists no longer expect an immediate revolution in Europe and many of them can see no chance of a social revolution in Western Europe or America until another world war creates a condition of chaos which weakens the ruling class and gives the revolutionary proletariat a chance. The official theory of the communists, however, has not kept pace with their changing tactics forced upon them by the realities of the Russian situation.

It is seen that the communists have as an ultimate ideal a socialist society, that they differ from socialists primarily on tactics. They see the revolution coming as a result of a violent change. They believe that the workers, once in control, should establish a proletarian dictatorship, break up the capitalist state and organize a soviet government; and gradually, with the overthrow of the bourgeoisie, permit greater freedom of expression and increasing democracy.

[37] I. Stalin, *The Theory and Practice of Leninism*, p. 10.
[38] Quoted in Trotsky, *Dictatorship* vs. *Democracy*, p. 69.
[39] Lenin's *State and Revolution* and his *Proletarian Revolution*, particularly the former, for quotations from Marx and Engels on revolutionary tactics.

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CHAPTER XXVI

RUSSIA UNDER THE SOVIETS

The Soviet Constitution.—Since the November revolution the communists in Russia have been engaged in trying to carry out their communistic theories. As has been indicated, on January 19, 1918, the communists, controlling the Soviet, dissolved the Constituent Assembly and immediately began a drive for peace in order that they might "have a breathing space for internal stabilization and for an increase in the Russian power of resistance," and on March 16, 1918, signed the "Tilsit" peace.

The following July—the tenth—they adopted the Russian Constitution, the Constitution of the first Socialist Federated Soviet Republic in the world. Article One of this Constitution was largely a repetition of the "Declaration of Rights of the Laboring and Exploited People" submitted to the Constitutional Assembly on the eve of the revolution and approved by the All-Russian Congress of Soviets in January, 1918.

It declared that (a) "all private property in land is abolished, and the entire land is declared to be national property and is to be apportioned among agriculturists without any compensation to the former owners, in the measure of each one's ability to till it. (b) All forests, treasures of earth, and waters of general public utility, all equipment, whether animate or inanimate, model farms and agricultural enterprises, are declared to be national property."

It provided for the transfer of all banks to the ownership of the government and for the government control of factories, mills, railways and mines. It proclaimed a universal obligation to work, decreed that all workers be armed and authorized the abrogation of secret treaties and adhered to the policy of concluding a general democratic peace without

annexations or indemnities. It also maintained that "exploiters should not hold a position in any branch of the Soviet government" and that "power must belong entirely to the toiling masses."

Article Two declared that the fundamental aim of the constitution, in view of the present transitional period, was the establishment of "the dictatorship of the urban and rural proletariat and the poorest peasantry in the form of a powerful All-Russian Soviet authority, for the purpose of abolishing the exploitation of men by men and of introducing socialism, in which there will be neither a division into classes nor a state of autocracy." It proclaimed as its motto, the motto of St. Paul, "He shall not eat who does not work." It provided for the introduction of universal military training. It declared against the oppression of national minorities. It gave the right to vote to men and women who had completed their eighteenth year, and who were performing labor useful to society, and denied the vote to persons employing "hired labor in order to obtain from it an increase in profits," who had an income from property without doing work, merchants, clergy, etc.

The Basis of Representation under the Soviet Government.—The basis of representation the communists made partly occupational and industrial, partly geographical. Under its constitution and that of the Union of Russian Republics (adopted in July, 1923), each village elects its own soviet which in turn selects an executive committee that exercises administrative powers. Delegates from the various village soviets in a township (Volost) assemble in a township soviet, while the various township soviets in a province (Gubernia) send delegates to a provincial soviet.

Delegates to town or city soviets come from the various productive groups in the community—from the factories, mills, mines, cooperative societies, etc. From the local or productive units, the soviets pyramid up to the Congresses of Soviets representing the constituent republics and the entire Soviet Union.

The Supreme Authority.—The supreme authority is the All-Union Congress of Soviets, composed of delegates from

town and township and of provincial Congresses of Soviets.

During the interval between the Congresses of the Soviet Union, authority is placed in the Central Executive Committee. This Committee consists of the Council of the Union and the Council of Nationalities. The Council of the Union is selected from representatives of the six constituent nationalities, in proportion to their population, 450 members in all. The Council of Nationalities consists of representatives of the Constituent and Autonomous Republics, five delegates from each, and of representatives of autonomous areas, in all 131 members. The Congress meets once a year and the Central Executive Committee, four times a year. During the interval between meetings of the C. E. C., the Presidium of the Committee, with its half dozen chairmen, is the supreme legislative, executive and administrative power.

The executive and directive organ of the Central Executive Committee is the Council of People's Commissars. Members of this Council are elected for one year. The Council consists of a President, Deputy Presidents, the chairman of the Supreme Economic Council and the Commissars.

The Commissariats.—In the administrative scheme of the Soviet, there are three types of Commissariats: those representing the entire union alone; those representing both the Union and the Constituent Republics and those which represent the Constituent Republics alone. The Commissariats of the Union alone consist of the Commissariats of Foreign Affairs, Army and Navy, Transport, Posts and Telegraphs, Trade and Commerce. The Commissariats existing both in the Federal Governments and the Governments of the Constituent Republics are: the Supreme Economic Council, Labor, Finance, Workers' and Peasants' Inspection. On the other hand, the Commissariats of Agriculture, Internal Affairs, Justice, Education, Health, and Social Welfare are found in the Constituent Republics alone. A system of courts has also been established.

A pyramidal representative form of government is found

not only in the Union but likewise in all of the Constituent Republics.

Period of Workers' Control.—From 1917 to 1926 the communists in Russia several times varied their policy in regard to industrial ownership and control to meet critical situations. The first period, from the November revolution to the middle of 1918, has been referred to as a period of "Workers' Control." The decree of November 14, 1917, established a strict control over industrial production and distribution and over the finances of trade and industrial organizations, but did not actually nationalize the general run of industries, as the communists were not at first prepared to issue a measure so sweeping in its application. They assumed that the owners of the industrial enterprises would continue to administer them under public regulation. The government was anxious to concentrate on the management of railroads and other key industries. There was, however, a good deal of sporadic confiscation throughout these months, many times against the orders of the national government.[1]

Period of Military Communism.—The second period was the period of "Military Communism." This was the period of civil war, of the struggle with the Czecho-Slovaks, with Kolchak, Denikin, Udenich and Wrangel; the period of the economic blockade, of the war with Poland, of the intervention of French, Japanese, German, American and other military forces. This period extended from the middle of 1918 to the end of 1920. With the outbreak of civil war, many of the old factory owners and managers left Russia altogether and many who remained practically sabotaged their plants. Military necessity compelled a more systematic policy of nationalization, in somewhat the same way as the World War led to a great extension of collectivism on the part of the warring powers. The result was the decree of June 28, 1918, ordering a systematic nationalization of

[1] See Zimand, Savel, *State Capitalism in Russia* (N. Y.: Foreign Policy Association, 1926), pp. 30-1; Heller, *Industrial Revival in Russia*, p. 81; British Trade Union Delegation to Russia, *Report*, 1924, p. 42.

large industries. It was not, however, until November 29, 1920, at the height of War Communism that nationalization was decreed in the case of all plants operated by machinery and employing more than five workers as well as in the case of handicraft industries employing ten or more workers. The same decree legally abolished private property in small industry.

In explaining this policy of nationalization Leo Kamenev, President of the Moscow Soviet, afterwards wrote:

"We see . . . that the exigencies of the direct and immediate struggle with the bourgeoisie, which was working underground and using its industrial position as an instrument of political and economic struggle—that this purely political situation was at bottom, for the most part, of our nationalization policy. Purely economic reasons, which should have given to the nationalization policy a systematic character, received secondary consideration. Political considerations compelled us to place in the hands of the proletarian government a greater number of enterprises than we could administer in the interests of the national economy as a whole." [2]

The state administration was successful in its main aim of supplying the army with enough clothes and munitions to win the civil war. But "from a business standpoint . . . it left much to be desired. Debts were contracted without regard to the credit side of the ledger; bureaucracy exerted an unfavorable influence upon industrial development; the lack of trained business executives was often painfully felt." [3] The control of each industry by a "Head Center" under the direction of the Supreme Council of National Economy, with little coordination between the various industries, made for waste and inefficiency. This situation, plus the terrible heritage of the world war, the ravages of the blockade and the civil war which cut the factories and transportation system away from their necessary fuel and raw material, and the refusal of the peasants to pay their requisitions, made for economic chaos. The workers were suffering because of the lack of food and raw material, and

[2] Quoted in Heller, *op. cit.*, p. 82. [3] *Ibid.*, p. 82.

the peasants, from the lack of the manufactured product. A vicious circle was thus established.

Dissatisfaction against the drastic nationalization decrees and their operation steadily increased during the fall of 1920 and the spring of 1921. But the leaders for some time ignored the protests and continued to elaborate far-flung plans for industrial reconstruction. Many of them were confident that labor armies, by a series of successful drives on the railroads, mines and key industries, could put the productive machinery of the nation into proper condition within a comparatively short time, and that, after this was accomplished, the peasant situation and the production of commodities for nation-wide consumption could be given due consideration. They failed to realize "that a predominantly agricultural country like Russia cannot be industrialized overnight. Such a transformation must proceed slowly and naturally; it must come in response to the country's growing needs; and it cannot be arbitrarily imposed from above, although, of course, the government can facilitate the process." [4]

In March, 1921, the sailors of Kronstadt started a revolt. Other revolts occurred along the Volga. When the Congress of Soviets met in March, 1921, they were confronted with a practical breakdown of the economic system. The only escape lay in the adoption of a new policy. The policy adopted was in the nature of a revolution. Under it the government substituted a regular tax system for food requisitions and gave to the peasants the liberty to dispose of all surplus remaining after the payment of the levy. It reorganized many of the state industries, decided on a policy of state leasing. It reopened its state bank and authorized it to resume loan and deposit operations with private individuals. It restored to the individual the right to buy and sell articles of prime necessity in the open market. It did away with many of the restrictions surrounding cooperative enterprises, and reestablished credit cooperation and the Consumers' Cooperative Bank.

The government in the nature of the case did not aban-

[4] *Ibid.*, p. 91.

don the principle of nationalization of industry, but, in its decree of July 7, 1921, exempted from future nationalization or municipalization all small enterprises employing less than twenty persons, and recognized the right of all citizens of eighteen years and over freely to engage in home industry and to establish small industrial enterprises. No person, however, was supposed to engage in more than one enterprise. The state also ceased to supply with raw materials, fuel and foodstuffs many of the state enterprises other than the coal, iron, metallurgy, transportation and other heavy industries. Henceforth these were expected to secure their material in the open market.

"For three years, up to the spring of 1921," wrote Lenin in November, 1921,[5] "our plan was to revive our large-scale industries and to organize a system of exchanging their products with the peasants, while endeavoring to socialize agriculture." In pursuit of this, "we proposed to take from the peasants a certain amount of foodstuffs and raw materials as a sort of loan by means of requisitions."

"We are no longer attempting to *break up* the old social economic order, with its trade, its small-scale economy and private initiative, its capitalism, but we are now trying to *revive* trade, private enterprise and capitalism, at the same time gradually and cautiously subjecting them to state regulation just as far as they revive."

Lenin's defense of this change of policy is given in his pamphlet, "Concerning the Food Tax." As early as 1918, he was convinced that, in view of the chaotic condition of Russian life, state capitalism would be a step forward, not backward. "There is not a communist, it seems to me," he wrote, "who would deny that the expression, 'Socialist Soviet Republic' means the determination of the soviet power to realize the transition to socialism, and does not by any means signify that the present economic order is regarded as socialistic."

Many forms of economic life, he declared, from patriarchal peasant economy to socialism, exist side by side in

[5] *Pravda*, Nov. 7, 1921.

Russia. It is not correct to say that the struggle in Russia is at this time a struggle between socialism and capitalism, for the greatest part of Russia has not reached the highest form of capitalist development. Despite the fact that the November Revolution did not usher in socialism, it played an essential rôle in wresting political power from the bourgeoisie, and making it possible to direct the whole administrative apparatus of the state toward the objective of socialism.

The revival of smaller industries, he maintained, is a necessity of the hour. For these can flourish, as large scale industry cannot flourish, without large reserve stocks of fuel, food and raw material. And such reserve stocks did not then exist in devastated Russia.

Facing the realities of the situation, Lenin continued, socialized industry at this time affects but a smaller number of the population. The vast majority of the people are peasants. With few exceptions they retain the psychology of small capitalists. Under the circumstances the only sensible course is to "refrain from prohibiting and preventing the development of capitalism and strive to direct it in the path of *state* capitalism."

The granting of concessions to private corporations for the operation of mines, factories, etc., Lenin felt, would strengthen advanced as against backward industrial methods, and would provide the soviet industries and peasant farmers with needed materials. He urged that the cooperatives be utilized for trade and exchange with the peasants. Cooperatives, he argued, eliminate the wastes of competition and help to organize large masses of people.

"We are too fond of saying, 'capitalism is an evil, socialism is a blessing,' but such an argument is incorrect, because it leaves out of consideration all the existing social and economic strata and takes in only two of them.

"Capitalism is an evil in comparison with socialism but capitalism is a blessing in comparison with medievalism, with small industry, with fettered small producers thrown to the mercy of bureaucracy."

The pamphlet closed by affirming optimistically that

"there is nothing really dangerous in this policy for a proletarian government, so long as the proletariat fully retains the administrative power, the means of transport and large scale industry."

The Third World Congress of the Communist International in June–July, 1921, approved the policy as a necessary one for Russia at that time. The New Economic Policy, or NEP, as it was called, led, as was expected, to a very distinct revival of Russian trade.

The State Trusts.—Since the introduction of the "NEP," state management has been decentralized largely by means of state trusts, which are no longer under the rigid direction, as formerly, of the Supreme Council of National Economy. "The trust is an amalgamation of several conveniently located plants in the same branch of industry or a combination of plants producing different products which are subsidiary to one another." The aim of their organization is the reconstruction of nationalized industry and commerce on a business basis. Each factory is separately managed, but it does not usually buy its own material. Nor does it conduct its own financial operations or sell independently the goods it manufactures. These functions are performed by the trust.[6]

The trusts are divided into central and local trusts. The former may be organized by the Supreme Council of National Economy; the latter, by the State or Regional Councils of National Economy. Under various decrees passed in 1923, the state renounced all requisitions from the trust incompatible with commercial prosperity. Recognizing the trusts as a "juridical person," it absolved itself of responsibility for the liabilities incurred thereby. At the same time it guaranteed the trust against loss due to state interference, and provided that the net profit from the operation of the trust be turned over to the state after due provision had been made for a sinking fund and 20% had been put aside for reserves.

[6] Zimand, *op. cit.*, p. 36; British Trade Union Delegates, *Report*, p. 45; see also N. Y. *Journal of Commerce*, August 25, 1926, Special Russian Number, pp. 27, 36.

The capital of these organizations is, by decree, divided into basic and working capital. Basic capital, including building, machinery and equipment, cannot be alienated or mortgaged, except by consent of the Supreme Council of National Economy. Working capital can, however, be utilized as a basis for credit, and against this alone creditors can proceed. Private individuals or corporations cannot hold shares in the "trusts," though cooperative organizations can do so. The trusts' directors are appointed by the Supreme Council of National Economy, and the state takes the place that stockholders do in a private corporation. It has authority over financial questions and over changes in the constitution and the control of the trusts. All trusts must be members of the Bourse and register their transactions. The prices charged for their products may, in case of necessity, be fixed by the Supreme Council, the Council of Labor and Defense and the Commisariat of Foreign and Domestic Trade. The trust must give preference to state organs and cooperative enterprises, in the purchase and sale of commodities.

The Syndicate.—In February, 1922, a number of textile trusts joined together into a "Textile Syndicate." By the latter part of 1922 syndicates had been organized for the oil, tobacco, hides, metal and other industries. A syndicate is a combination of trusts, organized to obtain better coordination in the buying and selling of commodities. They are directly controlled by the Supreme Council of National Economy, which confirms the appointment of the syndicate's directors and auditors, gives its approval of the distribution of dividends, etc. Since the syndicate usually works through the agents of the trusts, it does not generally require working capital.

Besides the Supreme Council of National Economy and the various local councils, the Russians have organized a State Planning Commission (Gosplan) for the purpose of assisting in the better planning of trade and industry on a national scale. While it has no administrative powers, the Gosplan serves as a statistical bureau for the collection of information and its advisory influence in the de-

termination of new industries and in the framing of a general economic policy, is very great.[7]

By the Census of March, 1923, 12.4% of the workmen were said to be employed in privately owned establishments; 84.1% in government establishments and 3.5% in cooperative establishments. The average number of workers in private industries was estimated as 2, in cooperative undertakings as 15 and in government industry as 155. About one-third of the 13,697 nationalized industries, by March, 1923, according to the Census, had suspended operations, about one-third or less had been leased, and about one-third (4,212) were grouped in trusts, combines and syndicates. The principal industries in which the government was interested were the transportation, textile, metal, mining, electrical, fuel, lumber, chemical and construction.[8]

Trade and Commerce.—As the soviets attempted during the period of military communism to own and manage small industry, they likewise attempted to control private trade. The decree of May 27, 1918 instructed the Commissariat of Supply "to concentrate in a single organization the supply to the population of objects of prime necessity and foodstuffs, to organize the distribution of these goods, and to prepare the way for the nationalization of commerce and industry."[9] Further decrees were issued during the summer, restricting freedom of trade and, on November 21, 1918, free exchange was declared to be illegal. All products were to be handed over to the Commissariat of Supply and wholesale cooperative and state warehouses and stores. Cooperative and soviet shops were established to distribute goods. To secure goods, every citizen had to register at a shop included in the system controlled by the Commissariat. The cooperative movement was also put under orders of the Commissariat. The

[7] Zimand, *op. cit.*, p. 38.

[8] In 1924–5, some 1,761,900 men were reported in state industries, and 38,300 in private industry. The productivity of the worker in private industry was reported as considerably higher than that in public. The foregoing figures refer to productive machine industry as contrasted with agriculture, trade and commerce.

[9] See Zimand, *op. cit.*, pp. 48-9.

following year the cooperatives were made the principal distributive agents of the Commissariat of Supply.

By the beginning of 1921, however, the peasants began the policy of refraining from producing anything in excess of their own needs and to conceal surpluses, as they found it difficult, if not impossible, even when paid for the requisitioned articles, to purchase manufactured articles from the government. In the Congress of March, 1921, Lenin, in urging a change of system, declared: "We know that only an understanding with the peasants can preserve the social revolution in Russia, so long as the revolution has not broken out in other countries. . . . Our resources are limited, but we must satisfy the middle class peasants." [10]

Domestic Trade.—The New Economic policy, as has been indicated, restored freedom of local retail trade, which might be carried on either through the cooperatives or directly in the open market. This, however, did not mean that the government had withdrawn from the field of commerce. Wholesale trade was to remain in the hands of the government, and the government proposed to continue to supervise and regulate commerce in general. Under the New Economic policy, private trade, both retail and wholesale, began to encroach on state and cooperative trade.

The rapacious character of many merchants during that period, however, aroused the Communist party against the policy of free trade. In May, 1924, the Congress approved the establishment of a Commissariat of Domestic Trade, with power to supervise private trade, and "to suppress all attempts by private capital, whether overt or otherwise, to injure the trade and industry of the state or the cooperative movement." About the same time other decrees were passed giving complete autonomy to the cooperatives, and the government established "a united front" with these organizations as against the private trader. While many private traders were forced out of

[10] International Labor Office, *The Cooperative Movement in Soviet Russia*, 1925, p. 80.

business under this policy, others continued to operate, and by the end of 1924 about 60% of the retail trade was said to be in the hands of private traders.[11]

On account of the lack of capital, the state, however, was not able to function effectively in this field, and finally in May, 1925, the Communist party and, subsequently, the Soviet Congress, decided that the policy of suppression should be discontinued and that the economic policy should be directed toward developing relations with private traders and the granting of privileges to the more well-to-do peasants; further that "the cooperatives should constitute the principal link between the state economic authorities and the small rural producer." Through them the state may acquire the best facilities for supervising and regulating small farming and trade throughout the country. However, "cooperative trade and state trade are not in a position to cope satisfactorily with the growth in business, so that a considerable place is open to the private trader." [12]

"Private enterprise," declares the British Trade Union Report of 1924, dealing primarily with trade in Soviet Russia, "is fulfilling the function assigned it, of acting as pace-maker and pilot to state enterprise. For the New Economic Policy is based on the conviction that the principles of the revolution and the predominance of the workers will be sufficiently secured if the state retains command of the bulk of the capital and credit in the country and of its foreign commerce. In this competition [between private and state enterprise] private enterprise opens new fields, and as these new fields come to be organized and operated on a large scale state organizations gradually drive private enterprise further afield again.

"So far as can be judged at present the superior economy and energy of the private owner will tell in small industry and retail trade, while government credit and cooperation will prevent any considerable control of large industry by private capital." [13]

[11] *Economicheskoye Obozreniye*, July, 1925, pp. 146-7.
[12] International Labor Office, *op. cit.*, p. 354.
[13] See p. 50 of this Report.

Foreign Trade.—While foreign trade throughout the first nine years of the Soviet regime has been conducted primarily as a state monopoly, several changes have been made with a view to reducing the red tape involved in trading through the Commissariat of Foreign Trade, and to facilitate sales and purchases from abroad. Foreign trade is at present conducted through such governmental institutions as state trading organizations, state syndicates and trusts, state bank and credit institutions; through co-operative organizations; through mixed companies owned jointly by government and private groups and through private companies and persons trading under licenses for specified purposes and periods. The operations of all of these concerns must conform to certain standards fixed by the Commissariat of Foreign Trade. The Moscow *Isvestia,* drawing attention to these various forms of enterprise, admits that "in its struggle for socialism, the working class has opened the door to private capital comparatively wide, but the working class must never forget its main objective. It admits private capital to hasten the development of the economic system of the country in branches that thus far have not been controlled effectively by the state and by the cooperatives. But the working class must learn as soon as possible how to build up an efficient commercial organization of its own, one which will be able gradually to drive private capital out of the country." [14]

Agriculture.—The Soviet government, as has been indicated, nationalized all of the land, including the agricultural land, as one of its first acts. It never attempted, however, to conduct farming on a large scale. It rented the land out to the peasants through their village governments in return for a tax on their harvests, giving to them a permanent right, under the Soviet policy, to use the land and to pass it on to father and son, to lease it for not more than six years, and within limits to hire help to work it. The user, however, has no right to sell or mortgage it. With the exception of a few experimental government farms and a number of cooperative societies, the

[14] See *Literary Digest,* Jan. 2, 1926.

land is cultivated almost wholly by private individuals. "At this moment," writes Trotsky, "the agricultural means of production have hardly been socialized four per cent. The remaining ninety-six per cent are still the private property of the peasants. But we must bear in mind that the agricultural means of production, the peasant holdings as well as the state holdings, constitute only a little over one-third of the total means of production of the Soviet union."[15] The changing attitude of the government toward the peasants during the period 1917–26 has already been set forth.

During 1925 a considerable section of the Communist party attacked the New Economic Policy on the ground that, in agriculture, it was leading to great abuses among the well-to-do peasants, and that, while from 8% to 12% of the peasants owned 61% of the surplus wheat, the poor had little or none, while the middle class peasants had the remaining 39%.[16] The question of the inequality of opportunity among the peasants, and the best policy to be pursued toward this great mass who have generally been regarded as the most reactionary group in the population, has by no means been solved.

The banking system is found, for the most part, under the direct control of the government, as are the railroads, with an aggregate mileage of about forty thousand. The land and buildings in the cities belong to the municipal government, which rent them out, and run their city budget in whole or in large part, out of their proceeds.

Trotsky Summarizes Extent of Socialization.—Leon Trotsky summarizes as follows the status of public ownership in Russia in the latter part of 1925:

"The state today furnishes four-fifths of the industrial production of our domestic market. About one-fifth is provided by private producers, that is, particularly by the petty establishments of home industry. Railway and

[15] Trotsky, *Whither Russia?* (N. Y.: International Pub., 1926), p. 43.

[16] In December, 1925, the Central Statistical Bureau estimated that the well-to-do peasants owned 42 per cent of the surplus, instead of 61 per cent.

marine transportation is one hundred per cent in the state's hands. The commerce of the state and cooperatives today amounts to almost three-fourths of the trade turnover. Foreign trade is carried on ninety-five per cent by the state.

"Credit institutions are likewise a centralized national monopoly. But these mighty self-contained state trusts are opposed by twenty-two million peasant establishments; the union of national and peasant economics—the productive forces meanwhile increasing as a whole—thus constitutes the principal *social* problem of a socialist construction in our country." [17]

Increase of Productivity.—During the last few years productivity has been increasing in state industries. The value of industrial output in 1924–5 was placed at 2,537,400,000 roubles, or 72% of the 1913 output. This compared with 14.6% in 1920, 21.6% in 1920, 21.6% in 1921–2; 32.3%, 1922–3; 44.6%, 1923–4. The importance of a continuing rapid increase of productivity in state industry if it is to win out in its battle against the developing private industry in Russia has constantly been stressed by Trotsky and others. Thus Trotsky declares:

"Unless the productive forces grow, there can be no question of socialism. On the economic and cultural level which we now occupy, the development of the productive forces can be attained only by involving the personal interest of the producers themselves in the system of social economy.

[17] Trotsky, *op. cit.*, p. 10. According to the Soviet Union Year Book, 1926, the relative proportions of the state owned, small handicraft and private industries (not including agriculture) is as follows:

	All Industries	State	Cooperative	Small Handicraft	Private
1923–4	100	63.5	3.6	29.4	3.5
1924–5	100	67.8	4.9	24.2	3.1
1925–6	100	71.5	4.6	21.2	2.7

"This is being done in the case of the industrial workers, making their wages depend on the productivity of labor. Great successes have been attained in this field. In the case of the peasant his personal interest is secured if only by the fact that he manages a private establishment and is working for the market. But this condition also involves difficulties. The differences in wage classes, great as they may be, do not introduce a social differentiation among the proletariat: the workers remain workers for the state enterprises. With the peasantry the case is different. The work of the twenty-two million peasant establishments . . . leads inevitably at one pole of the peasant mass, into wealthy and even exploiting establishments, while at the other pole we have a transformation of a section of our present day medium peasantry into poor peasants and of poor peasants into farm laborers."

Trotsky declares that the Soviet government, when it permits trading, has no illusions regarding the dangers involved; that the dangers, however, are not insurmountable. "The outcome of the struggle depends on the speed of evolution of each of these tendencies. In other words: If the state industry develops more slowly than agriculture, if the latter should proceed to secrete with increasing velocity the two extreme poles above mentioned (capitalist farmers 'above,' proletarians 'below'), this process, would, of course, lead to the restoration of capitalism." Trotsky, however, concludes that the communist has every reason to believe that the state industry will overtake and neutralize the process of differentiation in the village and thus create "technical prerequisites for the gradual collectivization of agriculture." [18]

Democratic Management.—As the Soviet government frequently shifted its policy regarding the question as to whether the state or the private corporation should undertake certain industries, it likewise changed frequently in the matter of workers' participation in industrial management. "In the early days of the revolution," writes Heller, "there was great faith in the inherent democratic

[18] Trotsky, *op. cit.*, pp. 10-16.

merit of collegiums, committees, etc. Single-headed management was generally discarded; and most of the industrial enterprises were put in charge of groups of three, five and seven members. This tendency had several disastrous results. Authority and responsibility alike were diffused; and an excessive number of officials was created. All this made for industrial inefficiency. A reaction against industrial administration by commission finally set in; and one-man management is now to rule in Russian industrial establishments. The manager may be a communist workman, in which case he must have a technician as an assistant, or he may be a technician with an assistant chosen among the workers." [19]

Trade Unions.—In fact, the kind of management found in the factory following the revolution was intimately bound up with the status of the trade unions in the soviet state. Prior to the revolution of 1905, trade unions in Russia were declared illegal. Subsequent to this revolution unions were for a time permitted and even encouraged, but later suppressed and driven underground.

When the 1917 revolution broke out, the trade unions were used as a revolutionary force. Following the March revolution, the union forces were divided, the June, 1917 Congress showing a majority against class war. After the November *coup d'état*, however, the First Trades Union Congress, meeting in January, 1918, voted for war communism. At first factory committees took over the management of many of the industries from the owners and the technical staff. As time passed these committees began to feel that they were the owners of the industry, and to favor a syndicalist, rather than a socialist control. The government thereupon appealed to the trade unions to assist it in enforcing nationalization and in protecting production. It likewise reduced the representation of the factory committee on the management committees to one-third, the other two-thirds to consist of representatives of the Supreme Economic Council and of the trade unions.

[19] Heller, *op. cit.*, p. 128.

Later on, as a result of the inefficiency of the committee head, Lenin substituted the "single management."

The unions soon reorganized along the lines of One Factory, One Union, and compelled a worker in a factory of whatever kind to join the union to which the factory belonged. They at the same time suppressed the movement among the factory committees to form central councils as competitors against the regular trade union movement.

The January, 1920, congress of the trade unions voted to become a part of the state machine with responsibility for the management of industry and the protection of labor.

Three views of the function of a trade union under a workers' republic began to emerge. One, expressed by Shliapnikov, was that, as the soviet system suffered from bureaucracy, the supervision of production should be turned over to the trade unions. On the other extreme was Trotsky, the administrator, with the thesis that the greatest need of the hour was production; that, under a state where the workers constituted the government and owned the principal industries, the trade unions had no reason for a separate existence and should be merged with the working class state. Between these extreme views came those of Lenin, who felt that the trade unions had a useful function to perform in combating bureaucracy in state industries and in representing the interests of the workers, as distinguished from those of the peasants. "Comrade Trotsky," Lenin declared, "talks of a 'workers' state.' But this is an abstract idea. When we wrote about a workers' state in 1917, it was quite justified. But when you say: 'Why and against whom defend the working class, if there is no bourgeoisie, if we have a workers' state?' Then we reply: 'Not quite a workers' state.' As a matter of fact our state is not of the workers, but of the workers and peasants. This is the first thing. And this means a good deal. But it is not all. The very program of our party shows that we have a workers' state with too much bureaucracy. It was a disagreeable neces-

sity for us to put this label on our state. This is the reality of the transition period. Now would you say that there is no need for the trade unions to defend the material and spiritual interests of the working class in this bureaucratic state?'' [20]

The New Economic Policy, which increased the number of privately managed plants, had the effect of relieving the unions of much of their responsibility for management, and of making them an independent opposition group, for the protection of wages, hours, etc. The Fifth Trade Union Congress in September, 1922, formally acclaimed this independent status. The joining of the union ceased to be compulsory in its nature and became voluntary, while the state ceased to finance the unions. On the restoration of the union as a voluntary institution, the membership decreased from 8,500,000 to 4,500,000, but later increased again, and in 1926 was estimated at more than 7,000,000, or over nine-tenths of the industrial workers.

Representatives of the unions sit on all the councils of the Soviet government. On the Presidium in 1925, for instance, five of the thirteen members were trade unionists. The unions likewise engage in many educational activities. The twenty-three unions in 1926, divided into four main groups—extraction, fabrication, distribution and service unions—dealt with the following commodities and services: leather, medicine, sanitation, railways, posts and telegraph, metal, sugar, municipal services, education, wood, foodstuffs, soviet services, transport, chemical products, animal products, printing, building, water transport, clothing trade, paper, forestry and textiles.[21]

[20] See *Ibid.*, pp. 98-99.

[21] See Official Report of the British Trade Union Delegation to Russia, 1924, pp. 136-47; Farbman, *After Lenin*, pp. 144 ff; Nearing, *Glimpses of the Soviet Republic*, pp. 16-20. ''In a report submitted by L. Tomsky, President of the All Russian Federation of Trade Unions, Tomsky warned the unions against the danger of deteriorating 'into a mere appendage,' a political department as it were of these executives [executives in charge of national production]. It loses sight of its most important duty, that of representing and defending the economic interests of the workers.'' (See N. Y. *Times*, Jan. 3, 1926.)

Civil Liberties.—The communists in Russia have never pretended to guarantee civil liberties in the abstract to all groups in the population. During the civil war, as a war measure, they suppressed the opposition press and propaganda on the part of those opposed to the government—whether this propaganda was conducted by monarchists, constitutionalists, mensheviks or social revolutionists. They arrested, imprisoned and shot many who, prior to the 1917 revolution, had been ardent revolutionists, but who opposed the Soviet government in the critical days of 1917 to 1920. They completely controlled elections and rendered it practically impossible for any except communists to be elected to any important public office.

Since the civil war communists have continued a strict censorship over the press and have suppressed the anti-bolshevik press. They have also refused to permit the functioning of any other than the communist party in the political life of the country.

Dealing with the censorship of the written word, the British Trade Union Delegation declared in 1924:

"Application for permission to publish all printed matter must be made to the publishing department [of the Soviet government]. In the case of books and pamphlets the typed or printed manuscript has to be passed by a special editorial commission attached to the Publishing Department before final permission for publication can be obtained. The censor then reviews the book in print after permission to publish has been received. In this matter the publisher and the editorial commission, not the author, are responsible to the censor. . . .

"Each newspaper is a self-contained organization with its own editorial staff. There is no obligation on the members of the staff to be communists, but a government inspector from the censor office reads through the proofs before each edition goes to press. . . . There is no opposition press. In spite of this, however, very considerable latitude of criticism is allowed, these criticisms take the form of open discussions on social and economic questions. No attack on the Communist party is permitted. The

authority of the existing government is in all cases strongly upheld.

"In practice there is a complete control not only of the press, the platform and the political machinery but of the schools, universities, and army." [22]

Referring specifically to the Communist party, the delegation maintained that "all opposition [to it] is as yet silenced." [23] In extenuation of this drastic position, however, the delegation added that the need of an opposition was not as yet greatly felt, "owing to the extraordinary candor and criticism of those conducting affairs, and their readiness to conform their policies to new requirements of the moment. The constant elections and discussions at congresses keep those in power in touch with opinion; while the continuous stream of official publications and pronouncements keeps opinion informed of any defects that may develop in the system and of the proposals for reform." In fact the critical functions of an opposition both in the press and on the platform are largely performed by the government itself.

The Soviet government has been severely criticised by liberals throughout the world for the imprisonment of revolutionists and social democrats who had for years fought against czarism, but who were opposed to communist tactics.

"It is frankly stated by political administrators that there are three classes of 'politicals,' " declared Dr. Harry F. Ward in 1925, "spies, counter-revolutionaries and members of other political parties. Concerning this last category it is added that of course they must be active. It is as impossible as it was during the post-war repression in the United States to get a real definition either of what counter-revolution in fact is or what degree of activity constitutes guilt on the part of members of other political parties. One gets only the general statement that they must be actively working against the government.

"It is impossible to state accurately how many political

[22] See British Trade Union Report, 1924, pp. 118-21.
[23] *Ibid.*, p. 14.

prisoners there are at present in Russia. . . . The organizations engaged in relief work simply know that there are more than 1000. They are sure that there are about 500 in camps and that somewhere about 1500 in all have been 'sent away.' . . . The official statement is that most recent and current arrests are for proscribed economic activity. . . .

"In the broader area of civil liberties in Russia there is little change to be recorded. The situation is parallel to that of some of our industrially controlled areas. While freedom of assembly is theoretically possible, practically it is impossible because of the control of the means of organization and places of meeting. In the matter of freedom of organized speech and even of political organization, the constitution is in practice nullified. There is, however, increasing freedom of individual expression. . . .

"Of freedom of the press there is none. It is directly denied, not indirectly as with us. The censor is still omnipotent if not omniscient. The multitude of periodicals and pamphlets and books all bear his imprint. The most serious fact in the situation is the regimenting of the universities." [24]

The "Letters from Russian Prisons" giving the experiences in Russian prisons and in exile during the years 1921–1924 of anarchists and socialists who had been hostile to the government present a painfully vivid picture of the means that is being adopted by the Russian government to crush all hostility to its program.[25] The thoroughly organized campaign of the government against Leon Trotsky following his attack on the bureaucracy of the party is indicative likewise of the lengths to which the dictatorship will go in preserving outward unity within the Communist party and in crushing all opposition to the policies favored by the party machine.[26]

[24] *The Nation,* March 4, 1925.

[25] *Letters from Russian Prisons,* Published for the International Committee for Political Prisoners (N. Y.: Albert and Charles Boni, 1925). See also Gordin, Morris, *Utopia in Chains* (Boston: Houghton Mifflin, 1926).

[26] See Eastman, Max, *Since Lenin Died* (London: Labor Publishing Co., 1925).

Despite these bitter persecutions of those disagreeing with communist policies as enunciated from time to time, the Communist party has itself made revolutionary changes in its policy during its first decade in office. It has retained its position through these changes as much as through its methods of suppressing opposition. Its changed position in regard to the peasants is probably of the greatest importance. On this shift in policy, Michael Farbman writes the following:

"All who come in contact with them [the communists] today agree that the mentality of the communists of 1923 is probably as different from their mentality in 1920 as their mentality in 1920 was different from that of the Kerensky soviets. Today the dictatorship of the proletariat is an obsolete phrase. Even as a figure of speech it has disappeared from communist journals and platforms. Officially the government is now carried on, not in the name of that vague and illusory proletariat, but in that of the workers and peasants, while the aim of the government is not the immediate establishment of socialism but the reconstruction of the country on 'realistic' lines—'realistic' signifying obviously capitalistic.

"Every retardation of progress in Russia has sprung from the attempt to rule the country in opposition to the interests of the peasants. The revolution was the manifestation of the peasants' awakening; and the dictatorship of the proletariat may be considered the last attempt of any Russian government to maintain power by preferring the interests of the industrial workers to those of the agricultural population. It was his recognition of the failure of this system and his insistence on establishing a balance between these clashing interests that constitutes Lenin's greatest achievement as a statesman; and it is the intense desire to preserve this balance which guarantees that the coming struggle for power will be less violent and convulsive than it would otherwise be." [27]

Education.—The Soviet government from its inception gave much attention to the educational system, in the be-

[27] From Farbman, *After Lenin.*

lief that it was fundamental as an instrument for developing communist technicians and a communistic citizenship in general which would lay a lasting foundation for a communist system of government. In 1926, Dr. Scott Nearing wrote of the educational system that had up to that time been evolved: "Probably there is no country in Europe where educational conditions are physically worse than they are in the Soviet Union. . . . Educational achievement is as yet negligible." On the other hand, "probably not since the period of the French revolution have educators been so free, anywhere in the world, to shape their work in accordance with current social needs," and "the Soviet Union is, at the moment, the world's largest and most important educational laboratory."[28] While the government insists that nothing be taught in the schools attacking the fundamental idea of proletarian dictatorship and of the soviet form of government—and, in that respect, education is not free—it has nevertheless scoured the world in search of the most modern educational methods, has translated the best books on psychology and pedagogy, and is making extensive and extremely significant experiments in the democratization of education. Illiteracy has been greatly decreased, and the masses throughout the country are showing a remarkable eagerness for learning.

The Soviet regime has meant a separation between church and state. It has led to freer divorce laws. It has placed man and woman on an equal status. It has given a great impetus to sanitation and other constructive health measures. It has placed the old homes of the aristocracy at the disposal of the workers and their organizations. It has revolutionized the system of jurisprudence. It has given a remarkable stimulus to drama, to art, to literature. It has safeguarded the worker in numerous ways.

International Relations.—When the soviets came to power, they were strongly of the opinion, as has been pointed out, that the revolution in Russia would be followed in short order by a European revolution. "The Russian revolution," declared Farbman, had "one great

[28] See Nearing, *Education in Soviet Russia*, pp. 9, 13, 15.

aim, to serve, as it were, as a beacon of world revolution."[29]

Following the November *coup d'état,* a great effort was made by the communists in Russia to stir up revolution in Europe and other parts of the world. For at that time the leading communists believed that they would never be able to maintain their power in Russia unless supported by other European countries. The chief agency to be utilized in this work of bringing about a world revolution was the Third or Communist International, the third political International of the workers to appear on European soil.

The Second International.—The First International, as has been stated, was organized in 1864, lapsing in 1876. Thirteen years after, at Paris, the Second International was formed. From 1872, the year of the virtual demise of the First International, to 1889, many strong socialist parties had sprung up in European countries, and it was these which came together in a loose federation in the late eighties. Eleven years later, the International began the support of a permanent Bureau, with headquarters at Brussels.

The Second International gave much attention to the question of militarism. At its first conference it demanded that standing armies be abolished, that international arbitration tribunals be formed, and that the people have a voice in questions of peace and war. These demands were reiterated at succeeding congresses. In the Paris Congress of 1900 it urged that socialist members of parliament should always vote against any expenditures for the army, navy, or colonial expeditions.

At many of the Congresses, the question of the general strike in case of threatened war was discussed, but was tabled as a result of the opposition of the German socialists, who thought that they were rapidly on the way to control in Germany; that they should not do anything to weaken their movement, and that, once they obtained control, they would be able to prevent war. The question was to be discussed again at the meeting scheduled for Vienna in August, 1914. But the war broke out before the date

[29] Farbman, *op. cit.,* p. 99.

set for this meeting, and found the socialists of the various countries without any concerted plan of action to prevent its spread.

The Third International.—The first conference after the outbreak of the war attended by delegates from both the Allied countries and the Central Powers was the Zimmerwald Conference, held at Zimmerwald, Switzerland, at the call of the Italian Socialist party, September, 1915. This was attended by representatives of radical socialist groups in Germany, France, Italy, Poland, Rumania, Bulgaria, Holland and the Scandanavian countries. Representatives of the Independent Labor party and the Socialist party in England were denied passports.

At the first conference Lenin proposed that socialists vote against war credits, withdraw their representatives from bourgeois governments, conduct an agitation in their legal and illegal press against war, organize street demonstrations against the government, conduct propaganda in the trenches, turn economic strikes into political strikes and encourage civil war. But the Zimmerwald Conference rejected this resolution and drew up a resolution against war in general. At the succeeding Conference at Kienthal, the Leninites wielded more influence. The resolution denounced bourgeois pacifism, and declared that no real peace was possible under capitalism and that the only solution of the war problem lay in the conquest of political power and in the ownership of capital by the workers. The resolutions maintained that the struggle against the war and imperialism was to develop with increasing intensity into a general mass movement against all the forces of reaction until it ended in a supreme international struggle for the final triumph of the proletariat. The resolutions attacked the Second International for its inactivity.

These conferences were the beginning of the Third International. Although no mention was made at Zimmerwald of any except the Second International, the slogan, "For the Third International" began to gather force from the spring of 1917. On January 24, 1919, the Central Committee of the Russian Communist party issued an invita-

tion to the communists of the world to take part in the First Congress of the Communist International. This Congress met from March 2 to 5, 1919 at Moscow, and was attended chiefly by communists from Russia and near-by countries. The Manifesto of this International is already familiar to the readers. This organization is not a loose federation, permitting almost complete autonomy to its individual groups, as was the case with the Second International, but is strongly centralized and seeks to direct from Moscow the actions of Communist parties in various parts of the world. At first its whole energy was devoted to the encouragement of revolutions in European countries as a means of saving the Russian revolution. As time passed, however, and capitalism failed to collapse in most of the European countries, it became increasingly necessary for the Soviet government to make its peace with bourgeois governments, with a view to securing recognition, resumption of trade relations, and foreign capital. To accomplish these things it was often obliged to promise a cessation of communist propaganda in particular countries and the administrators of the government have thus brought pressure to bear on the Third International to cease stirring up revolutions in other countries during this period of attempted stabilization.[30]

Summary.—The Soviet government is seen to have gone through numerous economic changes since its foundation. It passed through a period of workers' control, of military communism, of the introduction and development of the New Economic Policy, and of the decentralization of management, although not of ownership.

[30] By 1926 diplomatic relations had been established by the Soviet Union with Afghanistan, Arabia, Austria, China, Danzig, Denmark, Esthonia, Finland, France, Germany, Great Britain, Greece, Italy, Japan, Latvia, Lithuania, Mexico, Mongolia, Norway, Persia, Poland, Sweden, Turkey.

No survey of the Russian Union would be complete without noting the power of the Communist party over the entire administrative structure. The political bureau of the Communist party, of which Joseph Stalin is secretary, is regarded as the most important body in Russia today. "The Communist party," declare the communists, "is that politically organized lever with the aid of which the most

While productivity is still not high, conditions have been in general improving greatly during the last few years; the government has become more stable; the control by the peasants as against that of the city worker has been increasing; less stress has been laid of late on propaganda for a world revolution, while increasing attention has been given to the securing of foreign capital, foreign trade and foreign recognition. How far the growing peasant domination of its policies will divert it from its original goal it is too early to state.

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advanced section of the working class guides along the two paths the entire mass of the proletariat and semi-proletariat.'' Stalin, as secretary of the party, and the political bureau, though holding no administrative office, is at present writing Russia's most powerful figure.

Nor, in estimating the achievements of the Soviets, should the student lose sight of the different industrial motives which the Soviet government has been able to bring into play. In fact, the economist Keynes considers that, perhaps Russia's most significant contribution is that it is trying ''to construct a framework of society in which pecuniary motives as influencing action shall have a changed relative importance, in which social approbations shall be differently distributed, and where behavior, which previously was normal and respectable, ceases to be either the one or the other. In the Russia of the future it is intended that the career of money-making, as such, will simply not occur to a respectable young man as a possible opening, any more than the career of a gentleman burglar or acquiring skill in forgery and embezzlement.'' Keynes, *Laissez-Faire and Communism,* pp. 103-5.

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CHAPTER XXVII

SOCIALIST CRITICISM OF COMMUNISM

Significance of Russian Revolution.—What is the attitude toward communist philosophy, tactics and achievements on the part of the socialist movement of the Western countries? That attitude has been various. In the first place, despite differences of opinion between the communists and socialists, the latter have consistently fought against intervention in Russia on the part of bourgeois governments and for the recognition of Russia by their respective countries. Their general attitude toward the Russian revolution was well summed up by Morris Hillquit, leader of the American Socialist party:

"The Russian revolution is undoubtedly the greatest event in the history of socialism. . . . The fact of a workers' and peasants' republic in the largest country of Europe has already destroyed the superstitions and unreasoning belief that the capitalist organization of society is unalterable and eternal. With one blow it has transferred the socialist ideal from the abstract and speculative realms of utopia to the solid ground of reality. . . . The Russian revolution has suddenly ushered in a new era in the socialist movement of the world—the era of direct efforts for the practical realization of the socialist program. . . . A wholehearted support of Soviet Russia by the advanced workers everywhere is dictated not only by their natural sentimental attachment for the socialist republic, but also by their direct class interests."[1]

Socialist Objection to Violent Overthrow.—Despite the general attitude of approval, however, socialists have strongly criticised the communists for a number of their activities in Russia, and, in particular, for their attempt

[1]Hillquit, Morris, *From Marx to Lenin,* pp. 140-2.

to apply to the struggle in Western countries theories and tactics that seemed to work in Russia.

In the first place, socialists maintain that every attempt should be made in more democratic lands to bring about a victory of the working class through non-violent means. Bertrand Russell sees too broad objections to violent revolution in a democratic community. The first is that, "once the principle of respecting majorities as expressed at the ballot-box is abandoned, there is no reason to suppose that victory will be secured by the particular minority to which one happens to belong. There are many minorities besides communists: religious minorities, teetotal minorities, militarist minorities, capitalist minorities. Any one of these could adopt the method of obtaining power advocated by the bolsheviks, and any one would be just as likely to succeed, as they are. What restrains these minorities, more or less, at present, is respect for the law and the constitution. Bolsheviks tacitly assume that every other party will preserve this respect while they themselves, unhindered, prepare the revolution. But if their philosophy of violence becomes popular, there is not the slightest reason to suppose that they will be its beneficiaries. They believe that communism is for the good of the majority; they ought to believe that they can persuade the majority on this question, and to have the patience to set about the task of winning by propaganda." [2]

"The second argument of principle against the method of minority violence is that abandonment of law, when it becomes widespread, lets loose the wild beast, and gives a free rein to the primitive lusts and egoisms which civilization in some degree curbs. . . . The civilized nations have accepted democratic government as a method of settling internal disputes without violence. Democratic government may have all the faults attributed to it, but it has the one great merit that people are, on the whole, willing to accept it as a substitute for civil war in political disputes. Whoever sets to work to weaken its acceptance, whether in Ulster or in Moscow, is taking a fearful respon-

[2] Bertrand Russell, *Bolshevism in Theory and Practice*, pp. 146-7.

sibility. Civilization is not so stable that it cannot be broken up; and a condition of lawless violence is not one out of which any good thing is likely to emerge."[3]

"The Bolshevik philosophy," Russell continues, "is promoted very largely by despair of more gradual methods. But this despair is a mark of impatience, and is by no means warranted by the facts. It is by no means impossible, in the near future, to secure self-government in British railways and mines by constitutional means. . . . Self-government in industry would both afford many of the advantages of communism and also make the transition far easier without a technical breakdown in production."

There is a further defect in the methods advocated by the Third International. "The sort of revolution which is recommended is never practically feasible except in a time of national misfortune; in fact, defeat in war seems to be an indispensable condition. Consequently, by this method, communism will only be inaugurated where conditions of life are difficult, where demoralization and disorganization make success almost impossible, and where men are in a mood of fierce despair very damaging to industrial reconstruction. If communism is to have a fair chance, it must be inaugurated in a prosperous country. But a prosperous country will not be readily moved by the arguments of hatred and universal upheaval which are employed by the Third International. It is necessary, in appealing to a prosperous country, to lay stress on hope rather than despair, and to show how the transition can be effected without a calamitous loss of prosperity. All this requires less violence and subversiveness, more patience and constructive propaganda, less appeal to the armed might of a determined minority."

Mr. Russell admits that a spectacular revolution does appeal to the dramatic instinct, but observes that "the

[3] *Ibid.*, p. 149. Harold Laski maintains that violence on a large scale, "would be the one kind of existence to which the impulses demanded by a communist state had no hope of emergence. For the condition of communism is the restraint of exactly those appetites which violence releases." (Laski) *Karl Marx*, pp. 41-2.

purpose of a serious revolution is not personal heroism, nor martyrdom, but the creation of a happier world. Those who have the happiness of the world at heart will shrink from attitudes and the facile hysteria of 'no parley with the enemy.' . . . It is by slower and less showy methods that the new world must be built; by industrial efforts after self-government, by proletarian training in technique and business administration, by careful study of the international situation, by a prolonged and devoted propaganda of ideas rather than tactics, especially among the wage-earners of the United States."

Certain Communist Assumptions.—Mr. Russell also considers certain assumptions of the communists which, in his opinion, are without validity. Among these assumptions is that "capitalist propaganda can prevent the majority from becoming communists, yet capitalist laws and police forces cannot prevent the communists, while still a minority, from acquiring a supremacy of military power. It is thought that secret propaganda can undermine the army and navy, although it is admittedly impossible to get the majority to vote at elections for the program of the bolsheviks."

But this view, declares the author, "is based on Russian experience where the army and navy had suffered defeat and had been brutally ill-used by incompetent Czarist authorities. The argument has no application to more efficient and successful states. Among the Germans, even in defeat, it was the civilian population that began the revolution."

The communists, furthermore, according to Russell, assume that the capitalists have not learned anything as a result of the bolshevik revolution. However, he feels, they are now on their guard and "will not supinely permit a preponderance of armed force to pass into the hands of those who wish to overthrow them, while, according to the bolshevik theory, they are still sufficiently popular to be supported by a majority at the polls. Is it not as clear as noonday that in a democratic country it is more difficult for the proletariat to destroy the government by arms than

to defeat it in a general election? Seeing the immense advantage of a government in dealing with rebels, it seems clear that rebellion could have little hope of success unless a very large majority supported it. Of course, if the army and navy were specially revolutionary, they might effect an unpopular revolution; but this situation, though something like it occurred in Russia, is hardly to be expected in the Western nations. This whole bolshevik theory of revolution by a minority is one which just conceivably might have succeeded as a secret plot, but becomes impossible as soon as it is openly avowed and advocated.'' [3a]

In the third place, communists assume that parliamentary leaders at the time of a revolution can be bribed and turned into traitors to the working class, but that those leading a movement of revolutionary communism cannot. However, selling oneself to the capitalists is not the only possible form of treachery. ''It is also possible, having acquired power, to use it for one's own ends, instead of for the people. This is what I believe is likely to happen in Russia: the establishment of a bureaucratic aristocracy, concentrating authority in its own hands, and creating a regime just as oppressive and cruel as that of capitalism. Marxians never sufficiently recognize that love of power is quite as strong a motive and quite as great a source of injustice, as love of money; yet this must be obvious to any unbiased student of politics. It is also obvious that the method of violent revolution leading to a minority dictatorship is one peculiarly calculated to create habits of despotism which would survive the crisis by which they were generated.'' [4]

[3a] In his debate with Dr. Nearing, Bertrand Russell stated that he did not believe that we ''could survive a social cataclysm in our advanced countries and emerge with a highly organized and highly technical system of economic communism . . . because the destruction of life . . . would be so terrible that men would not be in a mood for any organized or rational form of government. The whole machinery of industrialism would be swept away in the cataclysm and you would have instead an agricultural community of peasant proprietors, because they alone would survive'' (pp. 70-1).

[4] *Ibid.*, pp. 139-40. In a more recent utterance of Bertrand Russell on the bolshevik experiment, reviewing the Report of the Trade

"What seems to me to emerge from these considerations," concludes Russell, "is this: that in a democratic and politically educated country, armed revolution in favor of communism would have no chance of succeeding unless it were supported by a larger majority than would be required for the election of a communist government by constitutional methods. It is possible that, if such a government came into existence, and proceeded to carry out its program, it would be met by armed resistance on the part of capital, including a large proportion of the officers in the army and navy. But in subduing this resistance it would have the support of that great body of opinion which believes in legality and upholds the constitution. Moreover, having, by hypothesis, converted a majority of the nation, a communist government could be sure of loyal help from immense numbers of workers, and would not be forced, as the bolsheviks are in Russia, to suspect treachery everywhere. Under these circumstances, I believe that the resistance of the capitalists could be quelled without much difficulty, and would receive little support from moderate people. Whereas, in a minority revolt of communists against a capitalist government, all moderate opinion would be on the side of capitalism.

"If socialism is not then carried without bloodshed, it will be due to the unconstitutional action of the right, not to the need of revolutionary violence on the part of the advocates of the proletariat. Whether such a state of opinion grows up or not depends mainly upon the stubbornness or conciliatoriness of the possessing classes, and, conversely, upon the moderation or violence of those who desire fundamental economic change. The majority which

Union Delegation to Russia, Mr. Russell states: "It seems clear that the program of the moderate socialist is more workable than that of complete communism. That is the Russian lesson. But there is an opposite lesson to be learned from countries where moderate socialists have been in power. No advanced party ever succeeds in carrying out its whole program; therefore, unless its program goes too far, its actions will not go far enough. The bolsheviks in power have achieved the economic program of the I. L. P.; and the I. L. P. in power would probably achieve about the program of the liberal party." *New Leader*, June 20, 1925.

bolsheviks regard as unattainable is chiefly prevented by the ruthlessness of their own tactics.''[5]

Preaching of Violence Poor Strategy.—Morris Hillquit, leader of the socialist movement in America, attacks the preaching of violence from another angle. He declares that, while no one can predict with certainty just how the revolution is to be effected in a particular country, it is exceedingly poor tactics for a struggling socialist movement to preach the inevitability of force and violence as the means to power.

During the periods of organization and of propaganda, ''it is clear that there is no sense or justification in 'systematically fostering among the masses' the view of the hypothetical necessity of violent revolution at this preparatory stage. Not the temper of the socialist revolution or its physical aspect, but the preliminary questions of its very desirability and feasibility are then before the workers. The propaganda of violence as a present method or even as a perspective necessity under such conditions has always and rightly been rejected by Marxian socialists. Violence as a species of 'propaganda by deed' and premature revolutionary uprising of workers are leaves from the book of Michael Bakunin, not Karl Marx.''[6]

''It is only when the socialist movement has developed to a strength and maturity at which it can successfully challenge the political life of the bourgeoisie, when the objective and subjective conditions for a socialist revolution are present, that the question of force or violence acquires a practical significance.

''The hypothesis that at the decisive moment the ruling capitalist classes in the different countries will not surrender to the proletariat without a physical struggle has always been accepted as reasonable by the socialists of the Marxian school. The new elements which communism has introduced into the theory is the dogmatic certainty of the inevitability of violence and the tendency to consider it in the light of an offensive rather than defensive weapon.

[5] *Ibid.*, pp. 144-6.
[6] Hillquit, *From Marx to Lenin*, p. 94.

"Marx and Engels have, on the whole, and particularly in their early writings, envisaged the social revolution as a violent struggle, although they admitted possible exceptions for some countries. But they never considered the element of force as an independent, constructive factor in the making of the revolution.

"Marx and Engels, furthermore, had no historic examples of concrete socialist revolutions upon which to base valid empirical conclusions about the nature and psychology of such revolutions. The only instance of a proletarian uprising known to them was the Paris Commune, which can be compared only remotely with a modern socialist revolution."[7]

Modern Revolutions Brought About With Little Force.—Not only is it unstrategic to preach violent revolution, but the theory that revolution must come as a result of a civil war is historically unsound. Little or no physical force was resorted to during the actual inception of the Finnish, the bolshevik, the German, the Austrian and the Hungarian revolutions. The November revolution in Russia may be regarded as a parliamentary victory, resulting from the securing of a majority in the Workers' and Soldiers' Council by the bolsheviks. The Provisional government was abolished by a decree of the Military Revolutionary Committee of the Petrograd Council of Workers' and Soldiers' Deputies, who assumed the reins of government, while comparatively slight resistance was made to the transfer of power, and the new government was able to record with satisfaction that "rarely has less blood been spilled, and rarely has an insurrection succeeded so well."[8]

In Germany the majority in the Reichstag demanded the abdication of the Kaiser. On the same day the Imperial Chancellor voluntarily transferred his office to Ebert, and Scheidemann proclaimed the establishment of a republic with an all-socialist cabinet. The Austrian revolution was practically a replica of the German, while in Hungary Count Karolyi voluntarily surrendered the reins of office

[7] *Ibid.*, pp. 94-6.
[8] Quoted in John Reed, *Ten Days that Shook the World*, p. 85.

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MORRIS HILLQUIT (1869-)

to the communists. Likewise the change of government during the Paris Commune was accomplished without bloodshed.

"Of course," adds Hillquit, "the precedents of these revolutions do not offer any guarantee for a peaceful seizure of power in future proletarian revolutions. The revolutions have all occurred under extraordinary circumstances directly or indirectly prepared by war. But it must be borne in mind that social revolutions generally are quite apt to happen under unusual conditions, when the power of resistance of the ruling class is at least temporarily weakened. To assert the absolute inevitability of violence in the seizure of political power by the working class in the face of all historical experiences is at least somewhat rash."[9]

On the other hand, it cannot be denied that while the actual seizure of power has been of a comparatively peaceful character, the capitalist class may be expected, after the first period of surprise, to try to win back its lost ground and to engage in a bitter, counter-revolutionary struggle.

On this account, "a proletarian regime must at all times maintain an efficient and adequate organization to protect its conquests, and must be particularly alert and determined in the early period of its existence, when counter-revolutionary capitalist attacks are likely to be most frequent and dangerous."[10]

Angell Maintains Force Unsuccessful in Russia.—The difficulty with the communists' argument in favor of the use of force, declares Norman Angell, in answering Trotsky's defense of communism, is the assumption on their part that violence and dictatorship have actually succeeded in gaining the bolshevik objective, namely in bringing about socialism or communism. However, it should be borne in mind that while the revolution has brought communists into power, it has not ushered in communism.

The political dictatorship and terror have "failed either

[9] Hillquit, *op. cit.*, p. 100.
[10] *Ibid.*, p. 106; see also Kautsky, *Dictatorship of the Proletariat.*

to abolish capitalism, private property, production for profit, private trade, or wagery. What is in fact private property—and private property in land at that—whatever the system may be called, is more firmly the basis of the greater part of Russia's economic system than ever. The general position now with reference to capital is not so much that Russia has given up attempts to terrorize the capitalist, and forbid interest and production for profit, as that she is trying hard to induce the capitalist to apply his system to the New Russia, and is busy assuring him that his interest on his loans and his profits from his concessions, employing workers to whom wages may be paid, will be secure.'' [11]

The communists, following the revolution, Angell continues, have found that they must develop the policy of ''gradualness'' and have had to compromise all along the line. Their most fundamental compromise has been that in relation to the land.

''The system actually established for the overwhelming mass of the Russian people—for 96 or 97 per cent of them —means the development of that property psychology, fiercely acquisitive and individualist, which marks the peasant landowner the world over.'' Under this system ''the peasant works what is virtually his own land, and enjoys the private ownership in the results of that individual work; with the right of selling them for money (as often as not to private traders), keeping the profits on the transaction for himself, paying only, as the peasants of every country pay, a government tax; or paying, as the American farmers pay, an artificially high price for the manufacture from the town. . . . Such a system is not, either in its mechanism or in the motives by which it operates, or the psychology which it develops, socialist or communist. In other words, the net outcome of the Communist revolution, of the establishment of the completest possible proletarian dictatorship, of a policy based on the rejection of all compromises, of a terror exercised ruthlessly, so far as Rural Russia—which is nearly all of it—

[11] Angell, *Must Britain Travel the Moscow Road*, p. 115.

is concerned, is the firm establishment of what yesterday the communist would have described as a vast *petite bourgeoisie;* and so far as industry is concerned, a system partly of state capitalism, partly of private capitalism; in commerce, of state trading side by side with private trading and the operation of cooperatives.'' [12]

The seizure of the land by the peasants and the breaking up the great estates into small units is, in fact, maintains Angell, ''a revolution away from communism and a revolution which, in its final phase of private ownership, not only of the land but of its products, the right to sell those products and maintain the proceeds, was attained by the peasants in the teeth of all the efforts of the bolshevists. . . . That is to say, the method of enforcing socialism by coercion, terrorism, the Cheka, the Red Army, all of it had broken down in the case of ninety-six or ninety-seven per cent of the Russian people.'' [13]

Furthermore, with a peasant class now awakened to its rights and to political consciousness it will be increasingly difficult to enforce a dictatorship over them.

Coercion of Technicians Difficult.—The plain matter of fact, Angell continues, is that the Russian dictatorship was absolutely powerless to enforce the production of food. But the raising of food is a comparatively simple operation. ''It is simplicity itself as compared with socializing the multitudinous processes of industry, trade and finance, by which a country like Britain lives.''

Yet, if coercion and violence will not work with the peasant, how much less is it likely to work with the technicians who perform functions indispensable to western industry! These technicians in general own little capital. They live mostly on their labor rather than on their property income. A reasoned presentation of the claims of socialism should be effective in securing the cooperation of many of them. For socialism can offer to the professional man a better future

[12] *Ibid.,* pp. 116-7.

[13] *Ibid.,* pp. 122-3. This does not refer to the extent of private *vs.* public ownership, but to the fact that the vast majority of the Russians are engaged in agriculture.

than he can hope for under a capitalist society, and "his reluctance to associate the defense of his position with that of the manual worker is due, not to well-understood economic interest, but to misunderstanding, snobberies, prejudices, traditions which cannot be overcome by hostility and defiance, but only by patience, discussion and the passage of time." [14]

But Trotsky and many other communists argue that the workers should wage a relentless warfare against all these bourgeois elements; seize the reins of government and wade through the blood and hatred of civil war and then go to these embittered groups and compel their cooperation. Such cooperation, however, cannot be compelled.

"It may be possible to get very simple things done by compulsion: a galley oar pulled, but not a medical operation performed. In the latter case, threats are likely to be less effective than bargain, agreement, persuasion, fees." [15] To obtain their cooperation, the dictatorship—providing it won out—would be compelled to concede so much of their demands "that such concession would constitute a return to the policy of gradualness—a policy which, adopted in much less degree before the revolution, probably would have avoided revolution." [16]

"If there is to be no compromise, no conciliation, only coercion, then for a very long time indeed the dictatorship must confine its choice of experts, ships' captains, technicians, managers to the ranks of Simon-pure communists of unquestioned and unsullied orthodoxy. . . . Then, again, the task of reconstruction is certainly not going to be a rapid but an exceedingly slow one. And that slowness would spell for many millions, Death." [17]

[14] *Ibid.*, p. 158.
[15] *Ibid.*, p. 149.
[16] Ibid., p. 169. The communists answer this argument with the assertion that, until the revolution the revolutionary party would not be able to put even a policy of "gradualness" into effect. To this argument reply might be made that a majority labor government elected through the ballot could proceed gradually toward a pretty complete social change.
[17] *Ibid.*, p. 173.

A Labor Majority Would Mean Control of Agencies of Government.—In reply to the communist contention that, should Labor obtain a majority, the great part of the apparatus of suppression would be in the hands of persons hostile to the Labor party, Angell maintains that this would not follow:

"A Labor majority will imply a process of conversion to have taken place, and all these institutions he [Trotsky] enumerates—the organs of local government, the universities, the schools, the church, the clubs, the press, the staffs, even the technical staffs of the trading and transport concerns, the banks, the insurance companies, and so on—obviously all these must contribute their quota to a labor parliamentary majority if that majority becomes a fact." [18]

Wars a Sign of Childhood of Race.—The author considers the communist argument that civil war has accompanied other economic revolutions and must necessarily accompany proletarian revolt. Great changes, he replies, have not always resulted from war, while "innumerable wars, civil and others, have taken place, where no profound economic or social change has followed, where things have reverted to the old state. . . . That wars take place—are taking place all the time—and are sometimes followed by social and political change is no proof that they are indispensable to the social change; that it could not have taken place without them, if only men had been a little wiser. In Spanish America, for instance, for generations until yesterday, every general election was a civil war. The smallest change, administrative or social—the mere dispute as to which set of brigands should call itself the government—gave rise to bloody combats. . . . Effective revolution belongs to the childhood of the race, to the more rudimentary forms of social organization." [19]

Furthermore, historical parallels are rendered invalid because society is a growing and changing thing. And many rather important economic changes can now be cited which have recently taken place without a resort to arms.

[18] *Ibid.*, p. 164.
[19] *Ibid.*, pp. 178-9.

Workers Must Perform Undramatic Tasks.—The communists, in their appeal to force, are wont to claim that their method is the scientific one. But "the perpetual resort to compulsion means withdrawing altogether the application of intelligence and the scientific method to the problems of society, social betterment, the government of mankind, and substituting therefor the passions, animosities, rancours, and retaliations that go with the mere scramble for physical preponderance . . . it is the antithesis of that [the scientific] spirit and method; a return to the theological attitude, the principle of authority in belief, with all the old familiar theocratic apparatus of the Holy Inquisition." [20]

Mr. Angell in conclusion declares that the weapons necessary for a great conquest of the workers are already in the hands of labor. Labor, for instance, in Great Britain, could, almost overnight, build up a strong labor press by the simple device of pledging to buy and read their own paper, and thus could by this act break up the power of the capitalistic press. Labor does not do this because it lacks a certain drama. "And yet, unless somehow we can achieve the undramatic thing, the dramatic thing will be futile. When the class war is over and won, the dull tasks of organization and discipline remain, and if the worker is not capable of them, we shall drift back to what is, in effect, the old order." [21]

And the task will be harder after the war than before, because, among other things, the "quickness of temper, the impatience of discussion, the suspension of toleration which are an indispensable part of war are ill preparation for the daily grind."

In Defense of Democracy.—Being opposed to violence as a consciously directed method of progress, socialists are inclined to urge the method of democracy, despite all of its faults, in their effort to reach their goal. It is often claimed, declares Kautsky, that the attempts on the part of the ruling class to nullify by violence the realization of democracy by the rising class "prove the worthlessness of democracy

[20] *Ibid.*, pp. 180-1. [21] *Ibid.*, p. 188.

for the proletariat. Should a ruling class, under the suppositions here discussed, resort to force, it would do so precisely because it feared the consequences of democracy. And its violence would be nothing but the subversion of democracy.'' The thing that is proved, therefore, is not the uselessness of democracy, ''but rather the necessity for the proletariat to defend democracy with tooth and nail.''

Of course, adds Kautsky, ''if the proletariat is told that democracy is a useless ornament, the needful strength for its defence will not be created.'' However, the mass of people are so attached to their political rights that if the other side endeavored to destroy them, a political overthrow would result. And the higher the worker values democracy, the more may this successful defence be expected.[22]

Kautsky, in fact, takes the position that democracy is not merely a method of socialism, but an integral part of socialism and that socialism without democracy is an impossibility. The object of the socialists, he declares, is not primarily to attain any particular form of production so much as it is to abolish ''every kind of exploitation and oppression, be it directed against a class, a party, a sex, or a race.

''We seek to achieve this object by supporting the proletarian class struggle, because the proletariat, being the undermost class, cannot free itself without abolishing all causes of exploitation and oppression, and because the industrial proletariat, of all the oppressed and exploited classes, is the one which constantly grows in strength, fighting capacity and inclination to carry on the struggle, its ultimate victory being inevitable. Therefore, today every genuine opponent of exploitation and oppression must take part in the class struggle, from whatever class he may come.

''If in this struggle we place the socialist way of production as the goal, it is because in the technical and economic conditions which prevail today socialistic production appears to be the sole means of attaining our object. Should it be proved to us that we are wrong in so doing, and that somehow the emancipation of the proletariat and of man-

[22] Kautsky, *Dictatorship of the Proletariat*, p. 7.

kind could be achieved solely on the basis of private property, or could be easily realized in the manner indicated by Proudhon, then we would throw socialism overboard, without in the least giving up our object, and even in the interests of this object. Socialism and democracy are therefore not distinguished by the one being the means and the other the end. Both are means to the same end. The distinction between them must be sought elsewhere. Socialism as a means to the emancipation of the proletariat, without democracy, is unthinkable. . . . We understand by modern socialism not merely social organization of production, but democratic organization of society as well." [23]

Furthermore, "only under the influence of democracy does the proletariat attain that maturity which it needs to be able to bring about socialism, and democracy supplies the surest means for testing its maturity." [24]

Socialists on Dictatorship.—A defense of democracy by socialists carries with it a criticism of the theory of "proletarian dictatorship."

In opposing the dictatorship, they maintain, in opposition to Lenin, that Marx never advocated the dictatorship in the same sense as have the communists. He regarded it as a passing phase and not as an institution of government of more or less permanence.[25]

The attitude of Marx aside, socialists have expressed a number of objections to the concept of dictatorship. In the first place, maintains Hillquit, the advocacy of dictatorship is a most unstrategic move for a party struggling for power. "Whatever may be thought of the operation and effects of a democratic form of government in a class state," he declares, "the concrete democratic institutions, the liberty of the press, speech and meeting, the right of organization and the franchise, are practically indispensable to the conduct of a large-scale class struggle in the industrial and political field. To the extent to which these institutions are curtailed by capitalist government, the socialist propaganda is hampered. Nothing therefore is more reactionary

[23] *Ibid.*, pp. 4-6.
[24] *Ibid.*, p. 42.
[25] See Kautsky, *op. cit.*, p. 43.

in practice than the alleged super-revolutionary attitude of indifference or contempt for the 'bourgeois-democratic' institutions as weapons in the fight for socialism. . . . But would it not be crediting the bourgeoisie with a greater degree of generosity or stupidity than it possesses, to expect that it will accede to the socialist demands for freedom of the press and association, if such demands are coupled with the cheerful assurance that when the 'times change' and the working-class gains political power, it will use it to 'crush once and for all' these same liberties of the bourgeoisie?''

To paraphrase Bukharin's illustration, ''would it be quite rational to address the capitalist governments with a proposition like this: 'Messrs. Capitalists, accord us full liberty of press, speech, meeting, association, voting, etc., so that we may freely conduct our struggle for your overthrow, and when we have succeeded through the instruments you have placed in our hands, we will use our victory to deprive you of all civil and political liberties''?

''The socialist demand upon the bourgeois state for the maintenance of democratic institutions will be effective and consistent only if it proceeds from the theory that a socialist state will also tolerate political opposition to all forms of normal propaganda and peaceful activity. The socialist government will, of course, always maintain the right to suppress active counter-revolutionary plots aiming at its violent overthrow in the same way that a bourgeois government will always claim and exercise the right of suppressing active revolutionary plots for the overthrow of its rule.'' [26]

Dictatorship and Bureaucracy.—The dictatorship itself has several dangers attached to it. In the first place, as Bertrand Russell contends, it is likely to result in the creation of a self-perpetuating bureaucracy. ''The bolshevik theory [declares Russell] is that a small minority are to seize power, and are to hold it until communism is accepted practically universally, which, they admit, may take a long time. But power is sweet, and few people surrender it voluntarily. It is especially sweet to those who have the habit of it, and the habit becomes ingrained in those who

[26] Hillquit, *op. cit.*, pp. 132-6.

have governed by bayonets, without popular support. . . . It is sheer nonsense to pretend that the rulers of a great empire such as Soviet Russia, when they have become accustomed to power, retain the proletarian psychology, and feel that their class interest is the same as that of the ordinary working man. This is not the case in fact in Russia now, however the truth may be concealed by fine phrases. The government has a class consciousness and a class interest quite distinct from those of the genuine proletarian, who is not to be confounded with the paper proletarian of the Marxian scheme. . . . But I see no reason to expect equality or freedom from such a system." [27]

The dictatorship after the Russian method, declare others, leads to unnecessary and arbitrary persecution of opponents, discourages vigorous minority thinking, encourages the military spirit, promotes corruption, alienates many who could be invaluable workers for the cause and makes the transition to the democratic society difficult.[28]

In speaking particularly regarding the dictatorship in Russia, Kautsky asserts that the large proportion of peasants in that land makes the advocacy of dictatorship particularly questionable.

"In the long run," he writes, "nothing can be more dangerous to the Russian proletariat than to familiarize the peasant with the idea that dictatorship, the disfranchising of all opponents, the suspension of the suffrage, and of freedom of the press and of organization as regards every antagonistic class, is the form of government which best corresponds to the interests of the working classes. What will then become of the town workers if they come into conflict with the enormous mass of the Russian peasants and a dic-

[27] Russell, *op. cit.*, pp. 159-60.

[28] Macdonald, *Dictatorship and Revolution*, pp. 43 ff. "Whatever it calls itself and whatever it pretends to be in theory," declares another writer referring to the Soviet government, "it is precisely what the Marxian theory calls a force, placed above society, and striving constantly 'to alienate itself from society as a whole.' As far as this is concerned, the Soviet régime has merely become transformed into that feature of the capitalistic society against which the principal invective of the Marxian criticism is directed most strongly." See also Laski, Harold, *Karl Marx*, p. 42.

tator who is recognized by them? What will become of the workers when their own dictatorship collapses?'' And he points to the manner in which the government has been compelled to grant increasing concessions to the peasantry in order to retain power.

''Where the proletariat represents the majority,'' Kautsky continues, ''democracy will be the machinery for its rule. Where it is in the minority, democracy constitutes its most suitable fighting arena in which to assert itself, win concessions and develop.'' [29]

The Soviet vs. the Parliament.—The soviet form of government, the structure through which the dictatorship of the proletariat expresses itself, also comes in for criticism. Soviets, declares Kautsky, are excellent institutions in their place, but their place is among organizations of class conflict rather than among institutions of government. ''Everywhere,'' writes Kautsky, ''it is apparent that the usual methods of the political and economic struggle of the proletariat are not sufficient to cope with the enormous strength at the disposal of finance capital in the economic and political phases.''

Political mass strikes must therefore be resorted to in the battle for the new social order. These strikes, to be successful, must be carried out spontaneously. They cannot be conducted by the trade union bureaucracy, who, despite their eminently valuable services in other lines, are not in a position to take the initiative and are inclined to oppose them. The soviet form of organization is, on the other hand, well fitted for such a task and, in the performance of this function, ''promises to acquire an outstanding significance in the great decisive struggles between capital and labor which are before us.'' [30]

However, as a parliamentary mechanism, the soviets exclude from suffrage a portion of the population and make it difficult for a critic to express himself. The opposition which the laws may arouse is not, therefore, learned in the first instance, but only after an attempt is made to put them into operation.[31]

[29] Kautsky, *op. cit.*, pp. 132-3.
[30] *Ibid.*, pp. 72-3.
[31] *Ibid.*, pp. 71-8.

The soviet, furthermore, gives to the people only an indirect representation, while the central authority retains but few contacts with the mass of the people.

Nor must the disastrous effect of soviet representation on the local bodies be overlooked. Municipal bodies, endowed as they are with the power of electing delegates to the next higher bodies, are likely "to be twisted from their proper functions and become the playthings of partisan organizations," while "their members will be chosen more for the vote they are to give for the higher soviet than for the main work they are to do. It is thus not only essential that the socialist parliament should be directly responsible to the socialist democracy, but that the socialist administrative bodies should be elected for their own work." [32]

Criticism of the soviet, however, does not blind the socialists to the defects of the parliamentary form of government in bourgeois countries. The system of checks and balances in parliamentary countries, writes Hillquit, is designed "to check the will and power of the masses" and "to throw the political balance in favor of the classes in power." By the operation of that system, the lower house of parliament is often reduced to impotence. The upper house, given coordinate legislative powers with the popular chamber, is generally composed of a more conservative group. If a radical measure chances to pass the two houses, the executive frequently has the right to veto it, and if it is finally signed, it may be set aside by the courts as unconstitutional. Even more paralyzing is the parliamentary separation of legislative and executive functions. Thus it is "quite obvious that the revolutionary working class, in the words of Marx, 'cannot simply lay hold of the ready-made state machinery, and wield it for its own purposes.' A socialist state must, therefore, develop suitable administrative organs to take care equally of the administrative and political interests of the people. Representation must be occupational as well as geographic. . . . There is complete agreement among all socialist authorities that the preponderantly po-

[32] Macdonald, *op. cit.*, pp. 67-8.

litical character of the modern parliament cannot be carried over into a socialist state.

"Furthermore, a socialist regime, representing a majority of the people will have a clear interest in placing the vital executive functions of the government in the control of the people through their direct representatives.

"Thus, if a socialist regime is to retain the institution of parliament at all, it would modify its forms and methods in at least these salient features: it would introduce occupational representation, abolish the 'Upper House,' and the veto power, place the practical work of administration in direct control of parliament and make its members actively participate in such work. It would turn all state organs into responsible agencies of the working class government, and provide for a system of recalling representatives at all times."

However, it by no means follows, continues Hillquit, that it must needs scrap the parliamentary form of government and substitute the soviet form, the salient feature of which is "its indirect and elaborate system of voting, which operates to give to the industrial class minority political preponderance over the peasant majority." That may be necessary in a country such as Russia where the industrial worker is in a hopeless minority as compared with the peasant, but is not necessary in the more industrially developed western countries.[33]

Ramsay Macdonald urges, as a means of remedying the faults of the present parliamentary system, that a lower house representative of consumers be supplemented by another chamber representative of producers. "Let us," he declares, "have a second chamber on a soviet franchise. The same people might vote for both chambers, but their frames of mind would be so different that they would be different electorates. Guilds or unions, professions and trades, classes and sections, could elect to the second chamber their representatives. . . . It would enjoy the power of free and authoritative debate . . ; it could initiate legislation, and it could amend the bills of the other chamber; it

[33] Hillquit, *op. cit.*, pp. 77-85.

could conduct its own inquiries, and be represented on government and parliamentary commissions and committees. If in such a body labor were adequately represented, and there were a strong Labor party in the other body, the real needs and concerns of the nation would not be overlooked, but would be felt by the two houses with a directness which we have not known hitherto in our political life."[34]

Although believing that a modification of the present structure is desirable, Macdonald insists that the poor working of the parliamentary system is due in part at least, not to the parliamentary system itself, but to the lack of intelligence on the part of the masses. In the first place tens of thousands of workers insist on voting for representatives who do not represent their interests. In the second place, when they select candidates on Labor party tickets they often select those not skilled in the ways of parliament. "The 'governing class' is educated for its business. It comes into public life trained in the habits of team action. . . . It has the same unity of spirit as a pack of hounds after a fox. It likes the game. . . . The newcomers are strangers. They have had no practice in the game. They are rent and weakened by hesitancy and jealousy, and they cannot keep these vices in subjection as our ruling classes do. . . . Until selection conferences are wise enough to search for certain qualities rather than accept men of a certain status in local bodies or in organizations whose methods of work and training are not those of the House of Commons, the governing machinery will not be captured from the inside."[35]

Finally, concludes Macdonald, "nothing will ever relieve the socialist of the burden of making socialists, or of persuading the community that his view of affairs is right. . . . Short cuts and revolutionary jumps may be possible once in a century, but when these conditions arise the most advantage can be taken of them only when the masses are pre-

[34] Macdonald, *op. cit.*, p. 82. See also Macdonald's later suggestions of a parliamentary system in *Post*, Ch. p. 583.

[35] *Ibid.*, pp. 91-2. The British Labor party holds frequent "selection conferences," at which they select a candidate to run for Parliament in a particular constituency.

pared to allow it, when the politician leads the attack through parliament in cooperation with the other forces available, and when the counter-revolution can be repelled not by arms and barricades, but by reason and the settled convictions of the people." [36]

Bertrand Russell, critical of bolshevik methods, insists that if the workers would avoid the evils of violence, on the one hand, and of parliamentarism on the other, they should strive to obtain a greater amount of self-government in industry. For "self government can be brought about gradually, by stages in each trade, and by extension from one trade to another. By this means the capitalists are turned into obvious drones, their active functions in industry become nil, and they can be ultimately dispossessed without dislocation and without the possibility of any successful struggle on their part. Another advantage of proceeding by way of self-government is that it tends to prevent the communist regime, when it comes, from having that truly terrible degree of centralization which now exists in Russia." [37]

Criticism of the Russian Communists.—In their criticisms of communist tactics some socialists have been content to prove that these tactics, though perhaps justifiable in Russia, are not adapted to conditions in Western Europe and America. For conditions in most of these countries are markedly different from those in Czarist Russia at the time of the revolution.

The backward nature of industry, the weakness of the bourgeoisie and aristocracy, the disaffection of the military forces, the land hunger of the peasants, the illiteracy of the masses, their lack of parliamentary experience and the democratic tradition, the extent of the Russian territory, and its distance from the victorious nations in the World War were all factors which made a social revolution in Russia easier than in Western countries and a minority dictatorship more justifiable.

Other socialists severely criticise the communists for the tactics they have pursued in Russia, based on the communist

[36] *Ibid.*, pp. 94-5.

[37] Russell, *op. cit.*, pp. 186-7.

theory of progress. They emphasize the criticism of the mensheviks, who maintain that Russia was not ripe for the social revolution, on account of its lack of industrial development and the immaturity of the working class.

The bolsheviks, they maintained, made a fatal error in basing their action in favor of the November *coup d'état* on the assumption that a Russian revolution would ignite the flames of a European revolution. They erred likewise, following their revolution, in dividing the labor and socialists forces in Europe at a time where all should have been united in defense of labor.

"What the communists of Russia have contributed to the socialist movement of the world by the inspiration of their soviet republic," declared Hillquit, writing in 1921, "they have more than offset by the disruptive activities of their International." [38]

They erred, these critics declare, in breaking up the Constituent Assembly, after that Assembly had enacted practically every measure the communists desired except that of transferring all power to the soviets. They erred in aiding the peasants in their work of breaking up the great estates.

"The communist revolution in Russia in dividing up the large estates among the small peasant proprietors," declared Hillquit, "not only deprived itself of all direct and indirect benefits of a strong nucleus of socialized land cultivation, but took a decided step backward in the realization of the ultimate agrarian program of socialism by strengthening the institution of private land ownership." [39]

Summary.—It is thus seen that, while socialists and communists envisage, in general, the same type of socialist society toward which mankind should advance, they differ on questions of tactics. The communists, in their official Manifesto, maintain that violence and civil war are necessary and inevitable agencies in ushering in the new society. Socialists, on the other hand, maintain that, while violence might attend the social revolution, every effort should be made to inaugurate socialism in a peaceful fashion, through

[38] Hillquit, *op. cit.*, p. 150. [39] Hillquit, *op. cit.*, p. 45.

parliamentary victories, industrial organization, cooperative action and educational propaganda; that, if violence is to be used, it should be resorted to primarily for the purpose of defending the gains of the revolution against counter-revolutionary attacks, and that the force employed should be the minimum required to safeguard the gains of the revolution.

The communists insist that, during the transition stage, the workers should establish a dictatorship of the proletariat, which virtually means a dictatorship of the Communist party; should, in many countries, exclude non-producing classes from voting or holding office; should maintain a strict censorship of the press and of speech, and should concentrate all power in the hands of the dictatorship. They also urge the soviet form of government as the most efficient type of government during the period of transition.

The socialists, on the other hand, while realizing the defects of present-day democracy, and advocating a number of changes in the parliamentary structure, still hold that dictatorship both in theory and practice contains gravely dangerous implications from the standpoint of the working class and of society-at-large, and that the democratic procedure, so modified as to adjust itself to the complexities of our times, is wiser. They point out the fact that the Russian dictatorship has utterly failed to coerce the peasants of Russia, even though the peasants owed a great debt of gratitude to the communists for legalizing their seizure of land, and maintain that a proletariat dictatorship in the western countries would likewise fail in coercing the technicians to give the service indispensable to industrial progress.

The soviets, socialists admit, may be exceedingly valuable as agencies in bringing about social change, but they are defective as permanent agencies of government—at least unless supplemented by a form of direct representation based on geographical areas.

Since the issuance of the Communist Manifesto of 1918, however, communist tactics, as has been indicated, have

changed in several respects. In the early years, the Communist International bent its every energy toward dividing the working class in Western European countries into socialist groups, on the one hand, and, on the other, communist nuclei which should incite the working class to armed rebellion against their respective governments. With the stabilization of the European situation, and the increasing demand in Russia for foreign capital, foreign trade and recognition by foreign governments, these tactics have of necessity been modified. The Russian communists have, within the country, laid less emphasis on dictatorship and more on industrial productivity, and on cooperation with peasants and technicians in the development of the country. Militants of the type of Trotsky, Zinoviev and Kamenev have been given subordinate positions and a policy of "gradualness" has taken the place of the uncompromising policy following the revolution.

The actual policies of the present government are, therefore, not strikingly different in many respects from those which would be pursued by the British Labor party, the Social Democracy of Germany, etc., if they were majority parties. The demarkations between communist and socialist tactics are thus becoming less clear than formerly, while the possibility of friendly relations have become greater. The socialists are increasingly viewing the Russian ventures in various forms of socialized industry as a great social experiment from which they might gain valuable lessons on the paths to follow and those to avoid. They are particularly interested in seeing that the Russian peoples be permitted to work out their own experiment under the most favorable conditions, so that society may be in a position the better to appraise the value of these experiments from the standpoint of social progress.

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CHAPTER XXVIII

OTHER RECENT DEVELOPMENTS

The British Labor Party.—While the Russian communist movement has been the most conspicuous in its activities in the years during and following the Great War, other movements have had interesting and important developments. Prior to the World War, the British Labor party, while looking in the direction of socialism, never officially committed itself to the socialist position. During the War, however, its membership swung to the left, and, in 1918, it adopted the now famous program known as "Labor and the New Social Order" to which it has since adhered.

1918 Program on Labor and the New Social Order.—"We need," declared this document, "to beware of patchwork. The view of the Labor party is that what has to be reconstructed after the war is not this or that government department, or this or that piece of social machinery; but, so far as Great Britain is concerned, society itself. . . . The individualist system of capitalist production, based on the private ownership and competitive administration of land and capital, with its reckless profiteering, with the monstrous inequality of circumstances which it produces and the degradation and brutalization, both moral and spiritual, resulting therefrom may, we hope, indeed have received a death blow. . . . If we in Britain are to escape from the decay of civilization itself . . . we must ensure that what is presently to be built up is a new social order, based not on fighting but on fraternity—not on the competitive struggle for the means of bare life, but on a deliberately planned cooperation in production and distribution for the benefit of all who participate by hand and by brain—not on the utmost possible inequality of riches, but on a systematic approach to a healthy equality of material circum-

stances for every person born into the world—not on an enforced dominion over subject nations, subject colonies, subject classes, or a subject sex, but, in industry as well as in government, on that equal freedom, that general consciousness of consent, and that widest participation in power, both economic and political, which is characteristic of democracy.''

The party declared that it did not in any sense believe that the new social order could be brought in within a year or two of feverish reconstruction but that what it intended to satisfy itself about was that each brick that it helped to lay should go to erect that structure and no other.

The party held that its main point of cleavage from the parties of capitalism was its desire to build up the community as a whole rather than to magnify individual fortunes. Abroad it sought constant progress in democratic self-government of every part of the British Alliance.

The four pillars of the house which it hoped to erect, resting upon the common foundation of the democratic control of all of society in all of its activities were:

First, The Universal Enforcement of the National Minimum, the minimum which would ensure to each member of the community all the requisite leisure, health, education and subsistence. That would involve minimum wage legislation, better provision for education and health, unemployment insurance, systematic planning of public works, etc.

Second, The Democratic Control of Industry. This would include the immediate nationalization of mines, railways, and electrical power and the generation and distribution of such power on a national scale. Industrial insurance should be brought under community control and municipalities should not only control their water, gas, electricity and trolley lines, but should extend their enterprises in town planning and housing, parks and public libraries, the provision for music and the organization of recreation. They should also undertake, according to this program, the retailing of coal and other services of common utility, particularly the local supply of milk, wherever this was not already fully and satisfactorily organized by a cooperative society.

Third, A Revolution in National Finance, and the paying off of the war debt by the imposition of steeply graduated income and inheritance taxes and the conscription of wealth.

Fourth, Surplus Wealth for the Common Good. The income from these forms of taxation and the municipal and federal services should be used for the sick, for the provision of such educational opportunities as would overcome all differences of material circumstances. "From the same source will come," the platform reads, "the greatly increased public provision that the Labor party will insist on being made for scientific investigation and research, in every branch of knowledge, not to say also for the promotion of music, literature and fine art, which have been under capitalism so greatly neglected, and upon which, so the Labor party holds, any real development of civilization depends."

Recent Developments in England.—During the "khaki election" of December, 1918, British Labor increased its representation from 38 to 59. In 1922 this was increased to 144, and, in late 1923, to 192, out of 640, or about 30% of the members of the House. Following the latter election the King asked Ramsay Macdonald, chairman of the Parliamentary Labor group, to take office. A labor cabinet was formed with Macdonald as Premier, and Arthur Henderson, Philip Snowden, Sidney Webb, Sir Sidney Olivier, James Thomas, Lord Haldane, Sir Charles Trevelyan and others as members. The party served as a minority government—a government backed by only a minority of the members of Parliament—for nine months. The administration during these months gave chief attention to the cultivation of a more peaceful spirit in Europe. It recognized Russia, limited army and naval expenditures, and outlined a progressive housing, educational and unemployment policy. It was finally forced to resign on a minor issue—that of refusing to prosecute a communist leader—and, in the ensuing election, lost some 40 seats, electing 142 members. Its popular vote increased, however, over a million, to over 4,500,000. The decrease in parliamentary representation was due in part to the publication of a letter alleged to have

been sent to MacDonald by Zinoviev, although proof of its authenticity has never been made public, and, in larger part, to the unification of the opposition and the concentration of anti-labor votes in the Conservative party. The great decline at this election of the Liberal party—it elected only 36 members—however, placed the Labor party securely in the position of His Majesty's opposition.

During the spring of 1926 occurred the nine-day general strike in support of the miners, led by the British Trade Union Council. The strike had a profound effect on the whole industrial and political movement of Great Britain. During the Fall of 1926 the party gained 200 municipal seats. As a result of bye-elections and further additions to its ranks, its parliamentary representation in the fall of 1926 was 156. Outside of the party there is a small Communist party which has been refused affiliation on the ground that it seeks to join the Labor party in order to assist in its disintegration.

The French Socialists.—When the war broke out the French Socialist party contained slightly more than 100 representatives in the House of Deputies, under the leadership of Jean Jaurès, one of the most brilliant orators of modern times. The party was dealt a severe blow in the assassination of Jaurès on the eve of the war. During the war, most of the socialists, regarding the conflict as a war of defense, supported the French government. Opposition, however, later developed, and a large section in the latter days of the war fought for the cessation of hostilities and a democratic peace. After the Russian revolution a majority of its members joined the Third International and formed the Communist party, capturing the chief party organ, *L'Humanité*. In the May, 1924, elections, the socialists polled 1,700,000 votes, and elected 101 members. The communists returned 29 deputies. While the socialists have not been strong enough to assume the control of the government, they have at times entered into coalition governments and their opposition has been a frequent cause of the downfall of cabinets.

The German Revolution.—The German socialists entered the World War with a representation of 110 in the Reichstag and a vote of four and a half million, about one-third of the total vote. During the years before the war they had followed a middle-of-the-road policy, and had concentrated most of their energy on immediate social reform measures. In August, 1914, to the surprise of many, they voted in support of the war budget, but opposition to the war gradually developed and in December, 1915, on the passage of the fourth budget, some twenty members of the Reichstag, including Kautsky, Bernstein, Ledebour and Haase, formed a group which afterwards became the Independent Social Democratic party, while others, including Liebknecht, Mehring, the historian, Rosa Luxemburg and Clara Zetkin, organized a more pronounced left-wing International group, which, for a time, cooperated with the Independents. In October, 1918, fearful of the anti-war opposition which was constantly increasing, the government invited some of the majority socialists into the cabinet, and they entered on condition that the government would repudiate any policy of annexations and indemnities. This action did not stem the tide of discontent, however, which kept increasing with the increasing defeats of the German army.

On November 9, 1918, the Kaiser was forced to flee the country. The same morning the Workers' and Soldiers' Council of Berlin, composed of representatives of the social democrats and the independents, issued a call for a general strike. The workers laid down their tools and by the afternoon motor cars were rushing through the streets proclaiming the "bloodless revolution," the abdication of the Kaiser, and the appointment of Ebert as Imperial Chancellor. Shortly thereafter Scheidemann appeared on the balcony of the Reichstag and announced the change of government, and Prince Max handed over the chancellorship to Ebert. The next day the majority and minority socialists formed a coalition government, which later included a few non-socialists.

On November 10 the Workers' and Soldiers' Council

urged an armistice and immediate peace, and this policy was proclaimed next day by the coalition government. The Council also urged the rapid and consistent socialization of the privately owned means of production, declaring that this could be attained without any serious disturbance, in view of the development of the country, and that it was the only means of averting economic enslavement.

The program of the Provisional Government, issued the following day, was of a more conservative nature. It declared that elections would be carried out "according to equal, secret, direct, and universal franchise on the basis of proportional representation of all males and females of not less than 20 years of age." It proclaimed the various democratic safeguards of free speech and press, restored pre-war labor legislation and declared for the eight-hour day, and for a better system of insurance. In its later message to the soldiers, it expressed its approval of the socialization of those industries that were ready for it. "Your country," it asserted, "is also to become your possession and your inheritance in an economic way, in that no one shall any more, without your consent, exploit and enslave you."

The workers' councils soon began to assert themselves and urge that power be vested in them. Three groups among the radicals began to emerge: The majority socialists, who demanded that a Constituent Assembly be convoked on the ground that the Allies would not recognize any but a responsible government formed as a result of such an assembly; the left-wing, or Spartacus group, who declared that such an assembly would rob the workers of their power, and urged a dictatorship, and the independents, who favored an Assembly as an accelerator of peace, but believed that such an Assembly should be postponed until the government had time to socialize industry. Kautsky, a member of this group, however, felt that a postponement of the Assembly would "give an impression of insincerity, of hesitation and lack of faith in one's own strength," and that socialization could not be carried out with the then governmental machinery.

The Congress of Councils of Workmen's and Soldiers'

Deputies, meeting on December 18, 1918, however, despite the agitation of the left wing, adopted a moderate position and called for the speedy convocation of the Constituent Assembly. Its chief argument was that the present government might crumble and that peace negotiations might be broken off unless a competent German government was formed.

Following the Congress, the Spartacans continued their attacks on the government, which began a campaign of ruthless suppression. This campaign caused the independents to resign from the government. On the other hand, the Spartacans separated from the independents on account of the failure of the latter to oppose the calling of the Constituent Assembly. Early in January the Spartacans revolted but were crushed by the government forces, and Liebknecht and Rosa Luxemburg were killed.

The elections for the National Assembly resulted in a plurality vote for the majority social democrats, who obtained 39.3% of the vote cast. The independents secured less than 8%. The Spartacans refused to take part in the election.

In early February, on the convening of the Assembly, Herr Ebert, a saddle maker, of the majority socialists, was elected president. The government, in outlining its program, advocated the socialization of industries which had attained the character of monopolies. The German constitution, adopted by the Assembly, followed the lines of the western republics, rather than the soviet model. It provided for the election of a president for a term of seven years by the popular vote of electors and for a bi-cameral legislature. The legislature, by the constitution, is given authority to legislate regarding socialization of natural resources, manufacture and distribution.[1] Provision is made

[1] The question of the socialization of German industry in the nature of the case occupied a very large place in the socialist thought and agitation of these years. On November 24, 1918, about two weeks after the revolution, *Vorwaerts*, official organ of the Social Democratic party, published a letter from the prominent economist, Professor Robert Wilbrandt, urging a socialization program. On

for the initiative and referendum and for the creation of a system of industrial councils in each industry.

February 2, 1919, it published as a special supplement Kautsky's "Suggestions for a Program of Socialist Action."

"As soon as peace is concluded," wrote Kautsky, "and it is ascertained to what extent the German people can dispose of its state and imperial property, nothing will stand in the way of declaring forthwith that all large properties in mines, forests and large estates (about over 100 hectares) as well as all landed urban properties (excluding the houses erected thereon) be the property of the state, in consideration of compensation to be determined. Revenues from land, originated from the feudal period, that is, mining royalties and landed possessions generally derived from feudal times, such as most fiefs and princely domains, which have not been acquired by way of purchase, do not require to be compensated.

"The undertakings erected on the urban lands will remain for the time being private businesses, leased from the state. They would be socialized gradually. Forests would be socialized forthwith. So far as possible, whole branches in industry, and not isolated undertakings, should be socialized.

"In accordance with the demand contained in the scheme for socialization, put forward by the Austrian socialists, each of such branches of industry shall be administered by a committee, of which one-third of the members shall be the representatives of the state. The second third will be the representatives of the workers in this branch of industry, and the last third will be the representatives of those who use the products of the industry." (See Stroebel, *Socialization in Theory and Practice*, p. 173.)

At the first Congress of the Workers and Soldiers' Councils, December 20, 1918, it was urged "that a beginning be made forthwith with the socialization of the industries which were adapted for this change, in particular the mining industry."

The independent social democracy urged that a systematic policy of socialization should be immediately carried out. *Die Freiheit*, November 19, 1918, in urging such a program, declared that "the war economy has brought into existence a series of organized institutions, which need only to be slightly extended in order to provide a useful basis for nationalization. Prompt action is necessary in the interests of the community."

On November 21, 1918, a Socialization Committee was appointed by the Peoples' Commissaries "to make a report as quickly as possible."

According to *Deutsche Allgemeine Zeitung*, some time later, the Commission, after considering the question, felt that it had to proceed slowly. For the present there would be no interference with the export industry, foreign trade, and the supply of foodstuffs. "On the other hand, the Commission is of the opinion that socialization should be applied, in the first place, to those spheres of national economy in which conditions of capitalist monopoly have developed. In particular, the community must assume absolute control over the most important raw materials, such as coal and iron."

On account of the growing conservatism of the government, the independents decided on a general strike in July, 1919, and in Berlin the stoppage of work was complete. The lack of any definite plans of socialization, the fear that the Allies would take active steps against a socialistic program, the crowding in of immediate tasks, the bitter fight against the Spartacans, and the hesitation on the part of the party leaders to have the state take over a broken-down economic machine, all combined to prevent the government

Otto Hué, the veteran miners' leader, appointed to the Socialization Committee, was, however, skeptical even regarding this step. "There are no differences of opinion as regards the necessity of socializing the mines and associated industries, so as to deprive capitalism of its strongest support. But today, the question arises as to whether the time is ripe for the socialization of our extraordinarily complicated industry, which in our opinion, has become necessary. Our old master, Marx, envisaged the transference to the community only in a time of surfeit of the means of production. This period is not the present. The socialization of such powerfully developed undertakings as the mines and iron and steel industries cannot be carried out according to the dictates of the minority, but only at the right time and for the benefit of the community." Ebert and Otto Braun also uttered warnings against too precipitate action. Braun, according to the *Berliner Tageblatt* of December 1, 1918, declared: "For socialization generally no time could be more unfortunate than the present. Germany is starving, raw materials are lacking, machines are defective. Any upheaval may discredit socialism for years."

"A strong united section representing democratic and Marxian socialism," remarks Stroebel, "could have conducted the campaign for democracy and socialization with calm energy, in spite of the furious attempts of the right and the left. Divided, social democracy, one section violently struggling with the other, was obliged to deviate from its path, and to expose itself to the temptation of a policy of coalition and concessions. Thus the independents fell into the orbit of the Spartacists and communists, while the social democrats, freed from the restraint of their former left wing, fell more and more under the influence of the middle-class parties and middle-class ideology, certainly not to the advantage of socialization." *Ibid.*, p. 178.

One great difficulty was that the leaders of the German social democracy were "completely in the dark as to the stages to be traversed, and the details of a socialization scheme." "It was calamitous for German socialism," writes Stroebel, "that the discussion of a socialist policy of transition had been so completely neglected that there was not the slightest agreement as to the measures and changes that would be necessary after the seizure of political power . . . all was left to the happy inspiration of the hour and the true instinct of the masses." (*Ibid.*, pp. 6, 14-16.)

from transferring industry from private to state ownership.

Recent German Developments.—In March, 1920, von Kapp headed a sudden and unexpected *coup* of the monarchist and reactionary forces, which, however, was decisively defeated as a result of a general strike proclaimed by the trade unionists. In June of the same year, at a general election, the parties to the left failed to obtain a majority of votes and a non-socialist cabinet was formed. From that time on the cabinets have been largely composed of non-socialist groups, with a sprinkling, at intervals, of socialists. Herr Ebert remained president until his death, February 28, 1925. During the succeeding elections the communists, contrary to instructions from Russia, supported Thaelman as their candidate. In the second election, General Hindenburg was elected over Marx, the social democratic candidate, by a narrow margin. The independents and the social democrats had, in the meanwhile, become one party. The votes stood:

Hindenburg	14,655,766	Thaelmann	1,931,151
Marx	13,751,615	Scattering	13,416

In 1925 there were 131 social democrats and 45 communists in the Reichstag out of a total of 493. The Social Democratic party convention in September adopted a new program emphasizing the fundamental demands for socialization and socialism, and called for a democratic republic with decentralized administration and a program of progressive reforms. Socialists and communists joined forces in 1926 in the referendum to declare the property of the Kaiser state property. Some 14,889,000 voted in favor of the expropriation, but the referendum failed to obtain the majority required by a constitutional amendment.

In Austria.—In Austria, a unified Social Democratic party was formed in 1888. In 1897, the proletariat of the country was, for the first time, permitted to send representatives of the workers to Parliament, and, four years later, the socialists elected 10 members. Their next step was to fight for universal suffrage, which they gained in 1907. The

following May they received about one-third of the vote cast and sent 87 members to Parliament out of 516. During the World War, they fought for a more democratic form of government than under the old Austrian monarchy and, in the latter part of the war, were active in urging a democratic peace. Under pressure, the Emperor abdicated, on November 3, 1918, and a Provisional Government was inaugurated with Drs. Seitz and Renner, majority socialists, as president and chancellor respectively. Here again the socialists felt that an effort to socialize industry would lead to the cuttng off of food supplies, and, beyond the establishment of a few state-owned industries and the enactment of labor legislation, little was done toward changing the economic system. In the national elections of 1920, the Christian socialists (who are not, as their name implies, socialists) won the largest number of seats. The socialists continued, however, in control in the city of Vienna, where they have put through an extensive reform program. In 1926 they held 68 of the 165 seats in the national chamber.

The Hungarian Soviets.—In the neighboring country of Hungary, where the Social Democratic party was virtually disfranchised prior to the war, a political revolution was effected without bloodshed on the night of October 31, 1918, and the supreme power was vested in a National Council, consisting of the Karolyi party, the social democrats, the bourgeoisie and radicals, while on November 16, a republic was officially declared with Count Karolyi as president. The general disorganization of industry, however, led to increasing discontent. This was crystallized by the communists, headed by Dr. Bela Kun, into a formidable movement. Karolyi endeavored to secure the cooperation of the Allies in the stabilization of the country, but they failed to assist his government. In the meanwhile, Rumanian, French and Czech troops were trying to get a foothold in the country. The situation becoming desperate, the Karolyi cabinet resigned in favor of the communists. The reins of government were turned over to the Workers', Soldiers' and Peasants' Deputies and Bela Kun was selected Foreign Minister. The Bela Kun council immediately decreed "the

socialization of large estates, mines, big industries, banks and transport lines,'' declared complete solidarity with the Russian Soviet government, and offered to contract an armed alliance with the proletariat of Russia. It nationalized all retail businesses employing more than ten workers. It proclaimed ''all houses used for residential purposes'' to be the property of the soviet republic and began the organization of agriculture on an extensive scale. However, the Allies did everything possible to destroy the revolution. The Rumanian and Czech armies invaded the country and, under the wing of a French command, a royalist White Guard, a counter-revolutionary army, was formed in the occupied territory. After three months of fighting the Rumanians marched under French command within twenty miles of Budapest.

In the meanwhile the Peace Conference promised the trade unions that it would give a moderate labor and socialist government its support if such were set up. Labor forces thereupon brought pressure to bear upon Bela Kun to resign. On their plea, he did so, giving over the government to the moderate elements. A social democrat succeeded as Premier. The Rumanians, however, refused to stop their advance and, on August 4, entered Budapest, arrested some of the members of the new government and issued an ultimatum in contravention of the terms of the armistice and the pledges of the Allies. At the expiration of the ultimatum, they seized live stock, farming implements, rolling stock and food, and proceeded to send them back to Rumania.

In the meanwhile, Archduke Joseph, member of the House of Hapsburg, had been plotting a royalist *coup d'etat*, and, on August 6, a number of gendarmes, led by the chief of police, surrounded the palace in which the new government was sitting and forced the cabinet to resign. Archduke Joseph thereupon took over the government and was invested with supreme powers. The Supreme Council of the Allies, however, demanded his resignation and a new reactionary cabinet was formed, which immediately proceeded to imprison and kill hundreds of communists and socialists.

Later Admiral Horthy established a virtual dictatorship in Hungary, which has continued to the present time as one of the most oppressive governments in Europe. The socialist representation in the national legislature in Hungary in 1926 was but 24 out of 245. Hungary is still without universal suffrage and the secret ballot does not exist.

Socialism in Other European Countries. Denmark.—We have thus far considered in this volume some of the outstanding developments in the socialist movements of Great Britain, France, Germany, Austria, Hungary and Russia.

The socialist movement has played a rôle of very large significance in a number of other countries. Of outstanding importance has been the movement in the three Scandinavian countries—Denmark, Sweden and Norway. The Danish movement has been one of steady growth since its inception in 1878, the year of the founding of the Social Democratic Labor party. It was one of the strongest movements in the Second International prior to the World War. In 1920, it supported the Liberal party in its sale of the West Indian islands to America, and from that time to the fall of the Liberal government in 1920, Stauning, the leader of the party, was a member of the government. More recently he became Premier of Denmark, as the head of a minority government, and as such has been promoting disarmament and pushing labor measures of various kinds. In 1925 the party had over one-third of the seats in the Folkething (Lower House), and over twenty in the Landesthing (Upper House). The communist group has made little headway in this country. The party has a close connection with the trade union and cooperative movements of the country.

Sweden.—The Swedish Social Democratic Labor party was organized in 1889. The following year, Hjalmar Branting was elected to the Lower House as the first socialist representative.

During the nineties its growth was comparatively slow, and by 1902, it was represented by only 4 deputies in the lower house. This number steadily increased, however, and by 1917 had reached 87, and by 1926, 104, out of 230. In

the Senate they are represented (1926) by 61 out of a total of 150. By this increase the Social Democratic party became the largest single party in the country and Branting was several times called to serve as Prime Minister. His death in February, 1925, was a severe blow to the movement. The communist movement in Sweden is a small one, and is represented in Parliament by only six members. The socialists of late years, as in Denmark, have waged a strong campaign in favor of disarmament.

Norway.—The movement in Norway, founded in 1887, is not so strong as in the other two Scandinavian countries, although it is by no means a negligible force. In 1925, out of 150 seats in the lower house, there was a representation of 24 labor men, 8 socialists and 6 communists. In 1912 the left wing of the party organized itself into a special group and in 1918 captured the party and the trade unions. Later, in 1920, the right wing formed the Norwegian Social Democratic Labor party. The Norwegian movement possesses a relatively large intelligentsia, and emphasizes the more theoretical side of the socialist movement.

The Belgian Labor Party.—In Belgium the Labor party, which closely unites the political, the trade union, the cooperative and the educational wings of the labor movement, exerts a powerful influence on the political and economic life of that country, through its representation of 79 out of 186 seats in the lower house, and 59 in the upper house. It was founded in 1885 and prior to the war had elected 30 representatives in the Chamber of Deputies and 7 in the Senate. In 1924, the socialists obtained 39.44 per cent of the total votes cast, and, in June, 1924, formed a Coalition government, with Emile Vandervelde, the leader of the party, as Minister of Foreign Affairs; Edouard Anseele, one of the most potent forces in the cooperative movement as Minister of Railways; Charles Wauters as Minister of Industry and Camile Huysmans, formerly secretary of the Second International, as Minister of Science and Industry. Five Catholics and two liberals were also members of the cabinet. The party later, however, withdrew its representatives from the cabinet. In August, 1925, the party cele-

brated its fortieth anniversary. Its policy is of a moderate social democratic nature.

Holland.—The Social Democratic Labor party of Holland was founded in 1893 under the leadership of Peter J. Troelstra, an able lawyer, following the socialist separation from the anarchist group, and developed steadily in strength up to the outbreak of the war. During the war it was asked to cooperate with the government in a coalition government, but refused to do so. In 1908 a small Marxist party was formed as a protest against the action of the party in favoring the less conservative of the two factions in Parliament.

In the parliamentary elections of July 1, 1925, the socialists obtained over 700,000 votes, 22.9% of the total and won 24 of the 100 seats of the lower house, as against 20 deputies in the 1922 elections. The communists elected one member. The socialists have of late waged a vigorous campaign for disarmament, workers' control of industry and an educational system freed from clerical influence.

Finland.—The Finnish Socialist party was the first in the world to hold a majority of seats in the national house of representatives. It was organized in 1899 and officially connected with the International Socialist Bureau in 1903. At the time of organization, it enrolled nearly 10,000 members. This membership decreased in 1901 because of the Russian persecutions, but grew rapidly again after the Russian revolution, in 1905–1906. It secured its first large representation in Parliament in 1907, 80 in all, including 9 women.

In 1916, the socialists held 103 of the 200 seats of the Finnish Diet, and created a coalition government with the socialist Tokoi as President of the Senate, a position virtually corresponding to the English Prime Minister. However, the White Guard, supported by the German Army, drove the socialists out of power and wreaked a terrible vengeance upon them. In 1924 the socialists, despite persecutions, secured some 60 seats and the communists 18. The Communist party is still illegal and many communists are still held in prison.

Switzerland.—The socialist movement in Switzerland is of less importance than in most of the other European countries. This is due largely to the backwardness of its industrial development and the existence of a large number of peasant proprietors, small shop keepers and hotel and restaurant employes who largely depend for their livelihood on tourists. Of recent years the growing business entailed in the electrification of water power has assisted in the development of a Swiss proletariat.

The Grütli Union claims the distinction of being the oldest political party organization of the working class in that country, having been in existence since 1838. While at first a merely progressive party, in 1878 it declared in favor of socialism and in 1901 joined the Marxian Social Democratic party, becoming the opportunistic wing of that movement. In 1902, this party polled 55,000 votes, and elected seven members of the National Council. The vote steadily increased, and in the fall of 1914, the Social Democratic party had 18 representatives out of a total of 200, and 212 members in the cantonal councils.

During the war, the socialists took a vigorous stand against international warfare. In 1925, the socialists were represented by 49 deputies in the lower house out of 198, and the communists by 3.

Italy.—The restriction of the franchise, the large class of illiterate workers, the strong anarchistic elements in the Italian population and the backwardness of industrial development have been among the causes of the comparatively late development of the socialist movement in Italy.

Italy was represented in the old International, but chiefly by the anarchistic groups supporting Bakunin. In 1892 the movement definitely separated itself from the anarchists and formed a distinct party, under the leadership of Philipo Turati, a brilliant Italian lawyer and editor. In the following election, the party elected six members to the House of Deputies. In 1906, after an acrimonious debate, Labriola and his syndicalist following resigned and formed a syndicalist group.

Until the year 1913, but 7% of the Italian population was permitted the franchise. In that year, however, all literate male citizens over 21 years and all illiterate males over 30 years of age were given the vote. The vote for 1913 consequently increased to 960,000 for the Socialist party and 200,000 for the Socialist Reformist party, formed the previous year by a group of deputies expelled for their compromise position on the Tripoli war.

The party opposed Italy's participation in the War. Mussolini, editor of the *Avanti,* resigned, established a paper of his own, and henceforth became a bitter opponent of the Socialist party. In 1920, the metal workers seized a number of factories and placed them under workers' control. This led to a reaction against radicalism in general, headed by the fascisti. The result was the victory of the followers of Mussolini and the ruthless persecution of the socialists, trade unionists and cooperators by the Mussolini dictatorship.[2] Under these conditions the socialist vote

[2] The fascisti attack and dissension from within greatly weakened the socialist movement. The Fascisti secured the upper hand, made their famous "march upon Rome" in late October, 1922 and obtained control of the government. Mussolini was made Premier, and appointed himself minister of War, of Marine, of Aviation, etc.

Mussolini forced through a law by which the votes given to all parties are added together in a national total. By this law the party which receives the majority of votes in the nation is given two-thirds of the seats in all the regional districts. The remaining third of the seats are distributed in each district in proportion to the votes that each have received. The opposition parties find it difficult to unite in the districts as a result of threats of violence and other measures. In the elections of April, 1924, many of those subscribing to anti-fascist candidates were denied electoral certificates, were beaten up or prevented at their polling places from voting, while results were often falsified. By this means the Fascist party obtained the majority, electing 374 candidates, chosen by a central commission of five fascists and finally approved by Mussolini. Despite this procedure, 161 opposition candidates were elected and 2,300,000 electors expressed their opposition. In June, 1924, Matteotti, the socialist deputy, was assassinated. In 1925 the communal elections were abolished and the administrators of the communes were appointed by the governor.

Likewise non-fascist political, economic, and even cultural organizations were dissolved, their headquarters occupied by force and their furniture and treasury confiscated. The only way members of the dissolved organizations can convene at present writing is through

and the number of socialist representatives fell markedly, and the socialist influence greatly waned. Following the Russian Revolution the communists split from the socialists, and formed a separate and more aggressive party. In 1925 the socialist representation in the Chamber was 25, and the communist, 39, out of a total of 535. Following an attack on the life of Mussolini in the fall of 1925, Parliament declared vacant the seats of the Aventine opposition, including the socialist members.

Poland.—During the first years of the Polish socialist movement, it was closely bound up with the movement in Russia. In 1878 the Polish organization, "Proletariat," was founded. During the next four years many of the members engaged in conspiratorial activities and a number were executed or suffered long terms of imprisonment. In

secret meetings, and those participating in such meetings are subject to arrest.

Workers and peasants, to whom the right of free association is denied, have been subjected to a system of "obligatory syndicalism." Employers—industrial and agricultural—are officially requested by the *Fascio del Comune* not to give work to any person not possessing a fascist card. Those disobeying are threatened with personal assault, or assault on their property. The anti-fascist refusing to join the fascist syndicate is often condemned to starvation. The workers have no voice in the selection of the officers of the fascist syndicate. The secretary-general of all the fascist syndicates is appointed by Mussolini, and in turn appoints the secretaries of the communal organizations. "The secretaries, thus put in office by each other, negotiate with the capitalists and with the *padroni* without ever consulting the members and impose upon the rank and file the conditions of work thus agreed on; the worker who protests is beaten." (International Committee for Political Prisoners, *The Fascist Dictatorship*, p. 23. Article by Professor Gaetano Salvemini.)

Up to the summer of 1924, the press was subjected only to illegal violence. The offices of opposition newspapers and printing establishments were burned and editors and correspondents assaulted, while bundles of newspapers were set on fire and vendors threatened. In December, 1924, an old communal law was discovered referring to the maintenance of order, and the prefects were given the right to prevent the circulation of newspapers after publication, and even to suspend publication. The result has been the organization of a clandestine press that is becoming increasingly effective and the tide of discontent is rising.

While suppressing freedom of thought and action, Mussolini, on the other hand, is credited with helping to make Italy a cleaner country and developing a more disciplined working class.

1892 the Polish Socialist party (P. P. S.) was formed, and, as the exponent of the nationalist idea among the masses, became distinctly antagonistic to the Russian and German socialists. It regarded the war as a means of liberation, first of Russia, then of Germany and Austria. Pilsudski, afterwards dictator of Poland, and Dashinski were once active workers in its ranks. These two helped to form the Polish Legion and urged that the war be waged to the bitter end.

This party was opposed by Rosa Luxemburg, who organized the social democracy of Russian-Poland (1893) to combat the "social patriotic" attitude of the P. P. S. Later the social democracy joined with the communist forces.

Following the war the radicals in Poland were bitterly persecuted. In 1925 the socialists had a representation in the House of Deputies of 41 out of 444 and the communists, regarded as an illegal party, of 2. Pilsudski assumed the dictatorship as a result of a *coup d'état*. The socialists for awhile were undecided what was the best course to take, as Pilsudski was a former socialist, but they finally united in most part in opposition to his regime.

Czecho-Slovakia.—The socialist movement in the newly constituted government of Czecho-Slovakia has suffered from the antagonism between the German and Czech socialists. Immediately after the organization of the republic, Tusor, an avowed social democrat, was made Premier, while President Mazaryk, first president of the Republic, had strong socialist sympathies. Many social reforms were announced for the country. The great estates of the Hapsburg aristocracy were confiscated without indemnity. The eight-hour law was established in industry and agriculture and social insurance against unemployment, sickness, accident and old age were established.

In the 1925 elections the social democrats secured a parliamentary representation of 29, the national socialists, 28, the communists, 42, the German-Magyar social democrats, 19, and the German-Magyar national socialists, 8, out of a total parliamentary membership of 300. During several

years the national socialists and the Czech social democrats have participated in the coalition governments in order to uphold the social reforms measures enacted after the revolution. If united, they would be in a position to control the governmental machinery.

Esthonia.—In the little state of Esthonia the socialists are also a force, with a representation of 22, out of 100 deputies, and have participated in the coalition government. The communists have 4 deputies. Of late, they have suffered severe persecution, against the protests of the socialists.

Latvia.—In Latvia the movement is a strong one, the socialists in the parliamentary elections of 1925 having secured 33% of the total number of votes cast and a total of 33 out of 100 members of Parliament. In that year Paul Kalnin, a socialist, became the speaker of the House.

Ireland.—In Ireland, the Labor party has 14 members in the Dail, about one-tenth of the membership, while in the Belfast Parliament, labor was represented in 1925 for the first time with three members.

Minor Movements

Among the other European states, the movement is not so influential. The Spanish socialist movement had its early beginnings in 1869, when a branch of the International was formed. This organization, however, subsequently fell into the hands of the anarchists, and it was not until 1879 that the Social Labor party was formed, partly through the influence of Pablo Iglesias. It had varying successes and in 1910 Iglesias was elected to the national Parliament in Madrid, as a result of a coalition with the Republicans. Its representation in 1925 in the national Parliament was 7 out of 408.

The Portuguese movement was organized in 1876 through the influence of Lafargue. For years it scarcely maintained its existence because of suppression by the government. In 1910, after the overthrow of the monarchy and the separation of the church from the state, it took on new life. In

1917 it was represented by one member in Congress; in 1925 by 2 out of 164.

The socialist and communist representation in other European countries in 1925 was as follows:

Country	*Socialist*	*Communist*	*Total Seats in House*
Bulgaria	29		250
Greece	6		369
Lithuania	8		78
Rumania	1		369

The Social Democratic party of Rumania was formed in 1911, under the leadership of Rakovski. The party opposed Rumania's entrance into the war. In 1918 a general strike broke out which led to bitter persecution of the Socialists and trade unionists. On December 13, 1918, a peaceful, unarmed labor demonstration in Bucharest was dispersed by machine guns and over one hundred workers shot. The annexation of various territories since the war led to the formation of the Socialist party of Rumania. The left wing organization is the Communist party.

In Bulgaria the Social Democratic party was formed in 1894. Nine years later it split into two groups, the "Broads" and the "Narrows," the reformist and revolutionists. In 1913, the two groups sent 37 deputies to the Sobranje. On the entrance of Bulgaria into the World War, the "Broads" aligned themselves with the government, the "Narrows" against the war, voting against the war credits and enduring persecutions. This group later became a part of the Communist party.

The Greek socialist movement has never been strong. Attempts were made to organize it in 1885 by Dr. Drakoules, a Greek educated in Paris. Drakoules was elected to Parliament in 1901. The party has been distinctly a party of the right.

In North America

The United States.—The socialist movement of the United States may be said to have begun with the arrival

of numbers of revolutionists from Germany, following the uprisings of 1830 and 1848. Various workingmen's political organizations were formed in the sixties, and in 1877, the Socialist Labor party was organized. This party nominated its first presidential ticket in 1892, securing 21,512 votes in six states. It reached its zenith in 1898, when it polled 82,204 votes. A split occurred over trade union tactics in the late nineties, Daniel DeLeon, the leader of the party, insisting that it was the duty of the party to form industrial unions to compete with the A. F. of L. unions, and Morris Hillquit, Job Harriman and others declaring that the socialists should cooperate with existing organizations.

In the meanwhile, several organizations were springing up in the Middle West. The Brotherhood of the Cooperative Commonwealth was organized by J. A. Wayland, editor of *The Coming Nation,* afterwards, *The Appeal to Reason,* and for several years vigorously espoused a colonization plan. This group joined with the remnants of the American Railway Union under the leadership of Eugene V. Debs and formed, in 1897, the Social Democracy of America. The following year, it held its first Convention. The majority favored concentration on a plan of colonization. The minority withdrew and formed the Social Democratic party of America in cooperation with a group from Wisconsin, Eugene V. Debs, Victor L. Berger and Seymour Stedman being elected among others as members of the Executive Committee. In 1900, a temporary cooperation was worked out between the Social Democratic party and the Hillquit-Harriman group of the Socialist Labor party, and Debs was nominated for president, and Job Harriman for vice-president. The vote that year was 97,730.

In 1901, a Unity Convention was held in Indianapolis which gave birth to the Socialist party. The presidential vote of the Socialist party was 402,000 in 1904, 424,000 in 1908, 897,011 in 1912, 585,113 in 1916 and 919,799 in 1920.

Debs was nominated for president in 1900, 1904, 1908, and 1912 and 1920 and Allan L. Benson in 1916. The So-

cialist party opposed the World War and many of its members were sent to jail, including their standard bearer, Eugene V. Debs. The party organization was shattered and had difficulty in reviving. In 1919, the communistic elements left the party and formed the Communist and Communist Labor parties which ultimately amalgamated into the Workers' party.

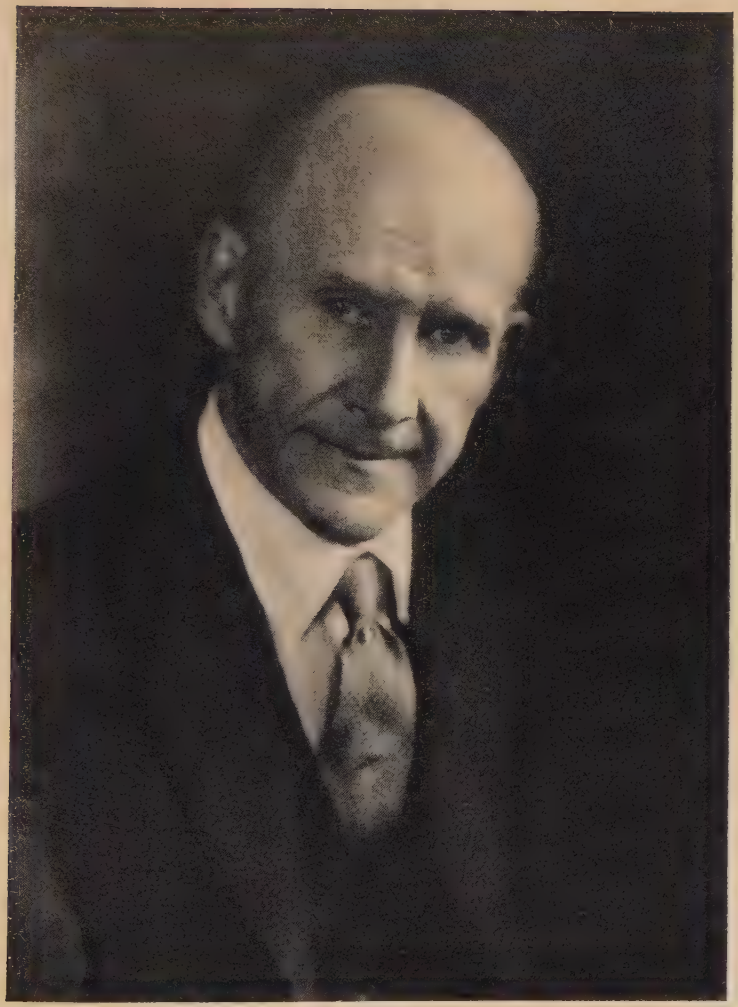
In 1924 the socialists supported Senators La Follette and Wheeler for president and vice-president, while the communists supported William Z. Foster for president. The La Follette ticket received 4,822,856 votes; the Workers' party ticket, 36,386, and that of the Socialist Labor party, 36,428.

In the 1926 elections, the socialists elected one representative to the House of Representatives, Victor L. Berger from Wisconsin. Milwaukee in that year was the greatest stronghold of the Socialist party in the country. In October, 1926, Eugene V. Debs, the standard bearer of the party, died at the age of seventy.

Canada.—In Canada a socialist political movement did not appear until the beginning of the twentieth century, at the formation of the Socialist party of Canada. In 1911, a second socialist group, the Social Democratic party, came into existence, and later a Labor party. The socialist groups, however, have never gained much headway and virtually went out of existence as party organizations during the War. In the elections of 1926 the Labor party sent two members to Parliament in addition to two others who were expected to vote "labor," and several to provincial legislatures. The Labor party includes trade union, socialist and communist groups.

Latin America

Argentina.—In Latin America, the oldest of the socialist movements is found in Argentina, organized in 1896 by Italian and German socialists. In 1904, it elected its first member of the House of Deputies. During the following years many socialists were persecuted on account of their



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EUGENE V. DEBS (1855-1926)

participation in strikes. By 1926, the number of socialist deputies in the House had increased to nineteen and there are two socialist Senators. The party is particularly strong in Buenos Aires, and controls 5 towns and cities.

Mexico.—In Mexico the Labor party, supported by the Mexican Confederation of Labor, and definitely socialist in its outlook, is a powerful factor in the government. It is represented in the cabinet by Leon Morones, the Secretary of Labor, Commerce and Industry, and several others. President Elias Plutarco Calles maintains that he was elected primarily through labor votes and cooperates closely with the Confederation of Labor and the Labor party.

For some years the administration in Yucatan, under General Salvador Alvarado, was a definitely socialist one.

Other South American Countries.—The movement in other South American countries is rather backward. In Brazil the Socialist party was organized in 1916 and showed considerable success in its first municipal elections, although its growth from then on was not great. In the summer of 1925, the party held a reorganization conference and adopted a program calling for a cabinet government system, universal secret ballot, citizenship for the foreigner, the abolition of the upper house, complete freedom of opinion, a federation of South American republics, separation of the church from the state, labor legislation, recognition of Soviet Russia and restriction of armaments. The Communist party, with a membership of about 500, was outlawed during the war.

A Democratic party of a socialistic character, composed chiefly of workingmen, was formed in Chili as early as 1894, but an out-and-out socialist movement was not organized until 1912. One socialist representative was elected that year, but was later unseated. In 1915 the party held its first convention in Santiago, and established the *Vanguardia* as its official organ. In 1925 the workers of Chili were represented by 6 Labor members, including Lius Cruz, President of the Labor Federation, out of a total of 118, and one senator. In 1925 the workers supported the expelled president of Chili, Alessandri, but later

were instrumental in forcing his resignation. Their candidate for president, Jose Salas, received, according to official count, 70,000 votes as compared with 170,000 for the successful candidate, but the workers demanded an annulment of the election on the ground of fraud and military pressure. A state of siege was afterwards declared in the northern provinces, and, following the wounding of several workers, a general strike was declared in Santiago.

In Uruguay, the first socialist representative, Professor Emilio Frugoni, of the University of Montevideo, was elected in 1911 with the support of liberals. The Socialist party, however, was not founded until 1913.

As early as 1901 a socialist movement, led by Santiago Iglesias, brother of the Spanish socialist, was in existence in Porto Rico. Seven years later a Workers' party was formed with a socialist basis. In 1917 Iglesias was sent to the House of Deputies. In Cuba the Socialist party came into existence in 1910 and in 1912 merged with the Radical Labor party.

Australia, Africa and Asia

Australia.—The Australian Labor party has, for the most part, included the socialistic elements in that country. As early as 1859 a labor representative was sent to the Victorian Legislature. It was not, however, until the strike of 1890 that steps were taken toward the organization of an independent labor party. The following year 4 representatives were elected in New South Wales. Since that year labor has controlled at various times every legislature in Australia as well as the national government. In 1925, the party was represented by 23 deputies in the national legislature, out of a total of 76. The state elections in New South Wales in 1925 returned a clear majority for the Labor party as did those in Tasmania. Labor secured 47 out of 90 seats in the former, and 18 out of 30 in the latter. In Queensland, in 1926, it elected 43 members, with a combined opposition of 29. It controlled all of the six

states, with the exception of Victoria. The Communist party, while publishing several papers, has a membership of under 500.

New Zealand.—For years the workers functioned through the liberal parties of New Zealand in their effort to obtain labor legislation. In 1912 they started a movement for an independent organization. In 1916, the New Zealand Labor party with a socialist objective was finally launched. By 1925 it was represented by 11 out of 80 members in the House. In that year it decided to exclude communists from its membership.

South Africa.—The Labor party in South Africa was formed in 1909. In 1910 four representatives were sent to the legislature, and soon thereafter Johannesburg went labor. In 1913, as a result of a bitterly contested political campaign, the party returned in the Transvaal 23 of the 25 elected officials and secured a majority of the House. It was, however, split by the war and, in the ensuing elections, but four members were returned to Parliament. In 1916 the anti-war group organized an International League and elected many members to local councils. In 1925 the party held 24 of the 134 seats in the legislature.

Asia.—In China and Japan the movement has been backward. In 1899 a group of young students organized a Socialist league in Tokio, which took on the nature of a debating society. Later the Railroad Workers' Union endorsed socialism as the final goal of the labor movement, and, thus encouraged, the socialists formed a Japanese Socialist party in 1901. This was later suppressed by the government and the socialists for some years were forced to confine their attention to educational propaganda. During the Russo-Japanese War the socialists conducted a strong anti-war campaign. Persecution of socialist leaders followed the campaign, resulting in the arrest of 24 prominent socialists, charged with entertaining anarchist views. The trial was held behind closed doors and twelve of the socialists were afterwards hanged.

Following the World War new legislation extending the franchise to half of the workers led to a movement for

the formation of a Proletarian party, but this movement was unuccessful on account of the inability of the rights and lefts to work together. Farmer-Labor parties were organized in December, 1925, but later dissolved.

China.—The first socialist organization in China was founded in 1911. During the Chinese revolution the movement spread rapidly, and elected some thirty socialists to the Parliament of the Chinese Republic. The party was dissolved by Shian Shi Kai in 1913, and many leaders arrested. The socialists thereupon worked secretly and assisted in the overthrow of the government. The Kuomintang or Nationalist party, which, at present writing, is gaining increased power throughout China, is a follower of the teachings of their late leader Dr. Sun Yat Sen, and has a socialistic point of view.

Summary.—Thus it is seen that, in Europe, the communist movement controls the great republic of Russia, with its immense territory, occupying one-sixth of the surface of the earth. Labor and Social Democratic parties have supplied at one time or another during the last decade or so the presidents of Germany, Austria and Finland, and the Premiers of Denmark, Sweden, Great Britain, Czecho-Slovakia, and Australia. In several other countries, notably Belgium, the socialists have entered into the ministry in cooperation with other liberal forces. In most of them, these parties constitute the chief opposition and are either the largest or the second largest parties of their respective states, although not the majority parties. In France it is difficult for any government to remain in power with the active opposition of the socialist group.

On the other hand, in Italy, Hungary, Rumania, Jugo-Slavia and some of the other smaller countries, every effort is made to suppress the movement, while in several countries of Europe the communist movement has been declared illegal.

In the Americas, the socialist movements are weak in most of the countries. Perhaps the most powerful of the socialistic parties in this continent may be found in Mexico, where the Labor party is in partial control of the

government. In Argentina there is also a vigorous socialistic movement.

In Australia the Labor party, committed to a program of social reform, is potent, particularly in the state governments, while in South Africa it is active, though not dominant. The Asiatic parties are still rather ineffectual, although, since the Russian revolution, interest in socialism and communism has greatly increased on that Continent. All told, the rise of these labor parties during the last eighty years since the issuance of the *Communist Manifesto* of Marx and Engels has been one of the greatest political developments in modern history.

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CHAPTER XXIX

POST WAR SOCIALIST THOUGHT

Since the World War, aside from discussing the socialist versus the communist method of arriving at a cooperative system of industry, socialists have been giving much attention to the nature of the socialist state toward which the international labor movement is directing its forces.

Webb's Picture of a Socialist Society.—One of the most thorough of the attempts made to picture a cooperative commonwealth, in the light of recent developments, is found in Sidney and Beatrice Webb's *A Constitution of the Socialist Commonwealth of Great Britain* (1920). This volume was written in response to a request of the International Socialist Bureau that the constituent socialist organizations submit to the International Congress a suggested constitution for a nation desirous of organizing its life upon socialist principles.

Fundamental to socialism, according to the Webbs, is democracy, which has for its object not merely the negative one of preventing individuals or classes from exercising powers contrary to the desires of the people at large, but also "the positive one of obtaining for all the people in the fullest degree practicable, that development of personality and that enlargement of faculty and desire dependent on the assumption of responsibility and the exercise of will."

"People," declare the Webbs, "have sometimes forgotten the spiritual values of democracy. The very necessity for obtaining that consciousness of consent involves the substitution of persuasion for force; implies, therefore, that those who are superior in will-power or intelligence consent to forego the use of this force to compel other men to obey them and seek to convince the average sensual man so that he too may exercise his intellect and his will. The very

consciousness of being engaged in cooperative enterprise, determined on and directed by common consent, is a stronger stimulus to self-activity, imperfect though it may be, than the docility of slavery. Hence there is, in all the armory of sociology, no such effective instrument of popular education, no such potent means of calling forth the latent powers of thought and feeling in the whole mass of citizens, as popular government. . . . The problem to be solved is how to remold the social institutions that have come into existence in such a way as to evoke, in all men and women, and not merely in a favored few, all their latent powers; to stimulate the whole population and not merely the exceptionally gifted or the exceptionally energetic, to the utmost possible exercise of their faculties; and at the same time to promote, throughout the whole mass and not alone in exceptionally altruistic or exceptionally enlightened individuals, the greatest attainable development of public spirit."[1]

The nature of the socialist commonwealth advocated by the authors, for Britain, has been mentioned elsewhere[2] in connection with our discussion of guild socialism. Politically, Great Britain, under a socialist regime, should have a two chamber legislative body, the Webbs maintain, not as at present, representing the lords and the commons, but one chamber, the Political Parliament, in charge of the national defense, foreign affairs, the policing of the country, etc., and the other, the Social Parliament, with supervision over the economic resources, health, education, transport and communication, the organization of scientific research, the encouragment of art, literature, music and the drama, and control over finances. This Parliament would, in the nature of the case, not direct the state enterprises, but would appoint numerous committees whose duty it would be to supervise various industries and to see that the general policies of these industries conformed to the public welfare.

[1] Webbs, *A Constitution for the Socialist Commonwealth of Great Britain*, pp. 100-1.

[2] See *Supra*, p. 433.

The Webbs believe that both Parliaments should be elected, not according to occupations, but according to geographical areas. "As it is the interests of the community as a whole that the Social Parliament is to safeguard, and not those of particular occupations or particular sets of consumers—and what has to be weighed in each case are the claims of the future against the insistent demands of the present—this Assembly, like the Political Parliament, must be elected by the citizens as such, whether old or young, well or ill, active or superannuated, homekeeping wives or vocational workers." [3]

In providing a scheme for the administration of industries under socialism, the Webbs again draw attention to the fact that all industry will not be uniform. While most of the industries will be socialized, there will be a number of "unsocialized" businesses, "such as the whole range of individual production in horticulture, peasant agriculture and artistic handicrafts; the purely personal vocations of the poet and artists; the prosecution of many minor industries and services that may be most conveniently conducted on an individual basis; possibly the experimental promotion of some new inventions and devices not to mention the cooperative organization of religious rites and observances. . . . And it must always be remembered that socialists accept, as one form of socialization, not only local government in all its manifestations, but also the free and voluntary association of groups of consumers for the production and distribution of those commodities and services for which they feel themselves to have an exceptional need, or for which they prefer this form." [4]

Workers, technicians and consumers should of course all be adequately represented in the administration of the industry. The Webbs favor compensation for industries transformed into public property, such compensation to be raised largely by taxation imposed on those who have the ability to pay. Each owner, they say, should receive in compensation the fair market value of that of which he is compulsorily dispossessed. "Whether he is paid such a sum

[3] *Ibid.*, p. 120.

[4] *Ibid.*, pp. 147-8.

in cash, or in government securities at their own market value, or by an equivalent annuity for a term of years, or for life, is of no pecuniary importance. . . . As the socialist commonwealth will certainly . . . levy its revenue on the citizens in proportion to their relative 'ability to pay,' the burden of compensation for expropriation will fall, in effect, almost entirely on the property owners as a class. . . . No expropriation without full compensation; no payment of annuities, or of the interest and sinking fund thereby incurred, otherwise than from the taxes on property ownership.'' [5]

Ramsay MacDonald's Industrial Chamber.—We have also referred before to J. Ramsay MacDonald's portrayal of his ideal socialist state, in *Socialism, Critical and Constructive* (1924).[6] MacDonald urges the retention of geographical representation in the lower house of parliament. He sees no need for a second chamber similar to the House of Lords. He, however, tentatively suggests, in addition to the lower house, ''an industrial chamber of limited authority which will act in the capacity of adviser and administrator in the industrial activities of the community.'' His analysis of a possible system of democratic management in industry has already been noted in connection with our discussion of guild socialism.[7]

Laski on Extent of Nationalization, on State and Compensation.—In his *Grammar of Politics,* Harold J. Laski, the brilliant young political economist and member of the Executive of the Fabian Society, gives a larger place to private enterprise under his proposed future state than do most other socialist writers. Laski divides the industries into three main divisions: (1) Those producing necessities, which the citizen must have in order to live; (2) those manufacturing commodities the absence of which does not destroy life, ''but may well destroy that which gives to life the flavor of beauty and comfort'' and (3) industries producing articles ''the need for which and want of which

[5] *Ibid.,* pp. 334-5.
[6] See *Supra,* p. 435.
[7] See *Supra,* pp. 434-6.

are in no sense universal, but which supply a genuine quality to a portion of mankind."

The only possible course, he maintains, is to nationalize the industries found in the first category. Those of the second type might be placed under the domain of voluntary cooperative ventures or might be privately run, but publicly regulated, while many in the third group might be left to private enterprise without much interference from the state. All inequalities would not be removed under such an organization of society. The enormous disparities of the present day, however, would have no place. "As men grow into the new conditions," Laski declares, "I believe that the result will be increasingly to transfer social significance from wealth to service; and men will prefer to be known for what they do rather than for what they possess." [8]

"So far as we can see, the process of nationalization," declares Laski, "will be a piecemeal one, the character of which will change as it learns by experience." Nor will it be assumed "that each nationalized industry needs an identical form of government; it needs a constitutional form of government in which certain principles and elements will, in different guises, always be found."

In any national plan of industry, he continues, the ownership should be vested in the state. This is necessary for two reasons. "It emphasizes where the ultimate incidence of control must rest. It enables us to insist that the producers in the industry are not entitled to regard it as existing solely for their benefit. . . . It emphasizes, also, that the surplus value created by the industry, over and above the cost of production and the distribution of the product to the ultimate consumer, belongs to the community as a whole. We reject, that is to say, any purely syndicalist plan of industrial organization. . . . It confers a title to special privilege which is corrupting in its essence, even if their possessors believe that they will devote it to the noblest ends." [9]

[8] Laski, Harold J., *Grammar of Politics,* pp. 436-8.
[9] *Ibid.,* p. 440.

While the community, through the state, must own the instruments of production, the producers are entitled to participate in management. "They must insist on settling their pay and their hours of work, the sanitation of their factories, the character of the particular job they do, the men with whom and, to no small degree, under whom, they are to work. They must be free, in a word, to make their vocation an effective function in the same way as the doctor and the lawyer. . . . Participation, further, must mean the right to be consulted in the making of policy for the industry. But they [the producers] cannot make the policy; that is a matter which must rest with those who speak in the name of the community. Thus, for instance, it would not be for the miners to say how much coal should be produced in a given year. They might urge on the deciding body that the number of tons was too large for the number of hewers in the pits, or too small to produce a wage-fund consistent with an adequate standard of life. But though they would share in the decision made, its making depends upon considerations of which their interests are only a part."

Administration, declares Laski, is a different matter. "Once a policy has been decided upon, its application is a matter of technique where each grade involved in the technique has the right to help. But help must be proportionate to qualification. The hewer of coal cannot settle problems which belong to the mining engineer, simply because he lacks the knowledge to do so. He ought to be able to make representations, whether of grievance or suggestion. But as soon as administration passes beyond the technique of a given grade of worker, whatever the advisory capacity in which he may attend to settlement, he cannot expect to control it."[10]

Laski agrees with the Webbs that three groups should be provided for in the administrative machinery: representatives who represent the side of management in which the technical side is included; representatives of different vocations, both manual and clerical, and representa-

[10] *Ibid.*, pp. 441-2.

tives of the public and especially those industries which are allied to the service concerned.

Three means, says Laski, might be resorted to in transforming industry from private to public ownership: (1) *Confiscation.* This method, although it makes a dramatic appeal to those who are impatient with the present system, and is largely irrefutable, is, in his opinion, of doubtful expediency. For it produces a great amount of ill will, which "leads to sabotage by the directive ranks of an industry at a time when we can least afford it" and, if it is exercised on any large scale, "it leads to an attempt, which may be a successful attempt, at fascism." [11]

(2) *Complete Compensation.* It is possible to compensate by purchasing the industry at a valuation, giving the former owners either money or bonds in return. The difficulty with this is that no community can afford to give a body of owners the price they would demand for their possessions. "That is clear for two reasons. In the first place, to arrive at a true valuation of most industries has become an almost impossible research. Many of them, notably, for instance, the railways, have been built most wastefully; most of them are founded upon a basis of capitalization which represents no genuine assets of any kind. . . . In most industries, national purchase on any terms acceptable to the owners would saddle the state with a burden of debt which would either mean low wages to the producer or high prices to the consumer. And, secondly, it would have the further danger of offering to the owner property rights which would perpetuate rather than diminish the existing differences between classes. Just as the owners of the national debt are the most solidly entrenched of all proprietors today, so the owners of bonds upon national industries would be similarly entrenched. The thing for which we are concerned is to obviate a situation where a class of owners can remain parasitic upon the community. The ordinary formulae of compensation are powerless to help us in this regard." [12]

(3) *Partial Compensation.* The final alternative re-

[11] *Ibid.*, p. 584. [12] *Ibid.*, p. 535.

mains: that of taking over the industry and paying a *partial* compensation by means of a lump sum or an annuity. Laski suggests as one method that an annuity be given to the actual owner of an industry during his lifetime, with the corrollary that his rights pass absolutely to the state at his death. "The owner of mineral royalties in coal, for instance, would continue to receive, year by year, what he was accustomed to receive in, say, a five-year period before the transformation was accepted, but on his death no further royalties would be paid. . . . We should then have the assurance that within a measurable time the maintenance of functionless ownership would cease to be a charge upon any nationalized industry." Of course, special provision could also be made for hard cases, such as the widow and the orphan; and, in case the owner died before, say, a ten-year period, arrangements could be made to pay the annuity to his family. Or a lump sum could be paid instead.

Laski has no use for a two chamber Parliament. If the upper chamber agrees with the lower, there is no need; if it obstructs the lower, its influence is often disastrous. The two chamber system—the Political and Social Parliaments—outlined by the Webbs, has unusual attractiveness, Laski admits. Nevertheless, he maintains, it is unworkable. For the Webbs' proposed Social Parliament, possessing as it does the taxing power, would gradually draw essential control to itself, while the Political Parliament would be left as a subordinate body. Nor could foreign policy controlled by the Political Chamber be divorced from economic policy, controlled by the Social Parliament. Joint committees of the two parliaments would have to be formed on every vital problem, and joint sessions of the two parliaments would probably be continually called for. "The making of policy, therefore, seems to involve a single assembly, charged with the oversight of the whole field of administration." [13]

Laski, as in all of his books, endeavors to explode the theory that the state is an independent sovereign to which

[13] *Ibid.*, p. 339.

the citizen owes allegiance in every matter on which the government wishes at any time to function. Its will, he admits, is a will "to which is attached force of a peculiarly majestic kind. But the exercise of that force is always a moral issue, and the judgment passed upon it is a judgment made by each one of us. Citizenship, that is to say, means the contribution of our instructed judgment to the public good. It may lead us to support the state; but it may lead us also to oppose it. . . . The state is thus a fellowship of men aiming at the enrichment of the common life. It is an association like others; churches, trade unions, and the rest. It differs from them in that membership is compulsory upon all that live within its territorial ambit, and that it can, in the last resort, enforce its obligations upon its subjects. But its moral character is no different from that of any other association. It exacts loyalty upon the same grim condition that a man exacts loyalty from his friends. It is judged by what it offers to its members in terms of the things they deem to be good. . . . It must offer them assurance that it seeks to protect that well-being. It has no moral claim upon their loyalty save insofar as they are offered proof of its realization."

It must always be borne in mind, Laski continues, that the judgments of the agents of the state do not differ from those of other associations. These agents are not infallible. They are liable to the same temptation as others. Their outlook is limited by their experience. They will, as a rule, tend to believe that that which is good for them is also good for society-at-large. "Power has the habit of corrupting even the noblest of those who exercise it; and it follows that to leave to the state the final control of all other wills in the community is, in fact, to leave to a small number of men an authority it is difficult not to abuse." [14]

Kautsky on Methods of Socialization.—In his *Labor Revolution* (1925), Karl Kautsky also discusses, among other things, the problem of compensating capitalists for the industries transferred to public ownership.

A reasonable compensation, he declares, ought to be paid

[14] *Ibid.*, pp. 29, 37, 71.

"to those who have kept their undertakings in a state of efficiency and conducted them with good, commercial success. It ought not to be paid for obsolete, neglected, and badly managed undertakings, which as a rule only keep above water by the shameless exploitation of their workers.

"By this means only will it be possible to solve the process of socializing the means of production in those spheres where it has come up as a practicable question, whilst ensuring the continuance and energetic development of production upon a capitalist basis in those spheres where the conditions of socialization do not exist. . . .

"The most suitable means of compensating the expropriated capitalists will be to allot to them state bonds, the interest of which would be equal to the total former profits of the socialized undertakings. They could also be paid in cash from the proceeds of a loan which the state would raise."

Kautsky agrees with the Webbs that the money for the property socialized should be raised from taxation of large incomes, property and inheritances. "This method, which affects the whole class and not a few individuals," concludes Kautsky, "remains the best under all circumstances, even after socialization has commenced. . . . This would be more rational from an economic standpoint, and more just according to our moral ideas than the plundering of a few capitalists who happen to be right in our path, whereby we should seriously obstruct and jeopardize the whole economic system."

Not only could the burden of payment be lightened by taxation, but by a redemption from time to time of state bonds, and their reconversion when the rate of interest is falling. "Thus capitalist exploitation will be steadily diminished until it finally disappears." [15]

Kautsky maintains that socialization must be gradual in its nature, and that it should begin where conditions are the most favorable, for instance, with railways, mines and various municipal services. Fortified by experiences there

[15] Kautsky, Karl, *The Labor Revolution*, p. 141.

acquired, socialization would then gradually extend its influence to more complicated and difficult provinces.[16]

The success of a socialized industry will depend in considerable part, he argues, on competent organizers. A socialist administration, therefore, must offer these organizers advantages equal at least to those of capitalistic business. "For this reason it is impossible to give effect to the demand put forward by Marx and adopted by Lenin, that nobody employed in the state services should receive a salary in excess of workers' wages. This principle may be in harmony with labor sensibilities and our socialist conceptions, but it is incompatible with economic requirements, which always enforce themselves. We shall do well to recognize this fact from the start and allow it to guide our actions, instead of becoming wise after bitter experience."

On the other hand, writes Kautsky, "in a completely socialist society, where the socialized undertakings have no longer to compete with capital, the great organizers will find no other fields of activity than the service of society. Then they will be obliged to reconcile themselves to receiving no better pay than other intellectuals. Despite this, striking achievements will not be a thing of the past either in art or in science or the sphere of organization. The inner urge, ambition, delight in power, and reputation will be sufficient incentives to such achievements.

"But this will not apply to the period of transition from capitalist to socialist production. As long as capital is in a position to produce surplus value, it will try to attract great organizers by offering them important advantages, and thereby attain to a position of superiority over all undertakings that are not able to offer equal inducements. . . . There must be no hesitation about paying extraordinary remuneration if this is the only way to secure the services of capable organizers." [17]

In addition to securing able organizers, a state industry should be made independent of the state bureaucracy and should be invested with the self-governing attributes of an industrial democracy.

[16] *Ibid.*, p. 155.

[17] *Ibid.*, pp. 164, 179.

"On account of the widely extended division of labor, which renders special knowledge necessary for the most efficient organization and conduct of each trade," he writes, "it would be well to establish each trade on as independent a basis as possible, to accord it the utmost freedom of self-government, and to create proper machinery to ensure that the consumer's interest is not lost sight of. Once the whole organism is functioning properly, the central committee would only have occasion to intervene when extraordinary and far-reaching innovations were projected, or when great disturbances and conflicts arise." [18]

More specifically, Kautsky believes that, as each branch of production is transferred from capitalist to state or municipal ownership, "a new organization should be created, which would enable the workers and the consumers, as well as science, to exercise the necessary influence upon the adaptation of the processes of production. . . .

"The cooperation of these three factors would produce the happiest results. If every branch of industry were abandoned to its workers alone, there would be a danger that the workers would raise wages, reduce hours of labor, diminish the volume of production, and increase the prices of their products, without troubling about the community. The essential workers would be in a position to do this the soonest. The dispensable workers would soon find there was a limit to forcing up the prices of their products. The whole process would culminate in the domination of the essential workers over those who were at least temporarily dispensable, such as a domination of coal miners over textile workers, tailors, shoemakers, joiners, etc., a state of affairs which would be as intolerable as capitalist exploitation.

"But if the decisions respecting any branch of industry rested with the consumers alone, we should run the risk of their striving to force down prices at all costs, even at the expense of the workers.

"If workers and consumers were combined in an association in such wise that neither section could dominate

[18] *Ibid.*, pp. 100-1.

the other, they would have to endeavor to overcome their antagonism by means which would be beneficial to both.

"To discover these means is the task of the men of science, whose services would be enlisted as the third party in the organization of economy. Their duty would be to ensure that the most perfect technical appliances and organization were adopted in the undertaking, so that the greatest possible result would be obtained with the smallest expenditure of energy."

The Economic Scheme—Kautsky discusses at length the so-called Economic Scheme proposed after the war by Rudolf Wissell and Dr. Otto Neurath.[19] Under their plans, the individual capitalist would remain the owner and manager of his business, but he would not be permitted to decide what he would produce. First, the state should work out estimates of the total productive forces of the state, and of the total needs of consumers. Upon the basis of this data an economic scheme would be formulated, into which each undertaking would fit. While production might continue to be private, the needs of society, rather than profit, would dictate what and how much the individual employer would produce. Prices would not be fixed, under this Economic Scheme, by supply and demand, but by the costs of production. The separate undertakings in any one branch of industry would be organized into syndicates, controlled by workers and consumers, as well as by employers.

The thought back of this plan is that, in the sphere of production, productivity has been greatly advanced. On the other hand, there is great waste and paralyzing crises in the sphere of distribution. The development of a planful system of distribution would therefore greatly raise the level of general prosperity.

Considering the infinite complexity of the industrial process, Kautsky believes that it would be practically im-

[19] See Wissell and Striemer, *Ohne Planwirtschaft Kein Aufbau,* Stuttgart, 1912; R. Wissel, *Kritik und Auflau,* Berlin, 1921; Neurath, *Wesen und Weg zur Sozialisierung,* Munich, 1919; also see Stroebel, *Socialization in Theory and Practice,* London: King and Son.

possible to compile the exact statistics needed under such a system of private enterprise.[20] It is also, he declares, quite chimerical to assume that private property in the means of production and the management of business can be left to the capitalists and their representatives but at the same time that the profit motive can be replaced by the motive of service. To prevent private owners from organizing their business on the basis of maximum profits, the state would have continually to step in and use a form of coercion. But "a high and intricate form of production cannot be based on compulsion. The element of coercion in production always leads to lower and cruder forms of production." The scheme would then mean the establishment by the state of "an enormous bureaucratic machine by the side of the machinery of production in order to supervise the latter. This organization would be protracted and laborious, and its functioning would soon produce intolerable friction and hindrances."[21] The only alternative is, then, social ownership and joint producers' and consumers' control.

Kautsky deals, in his post-war volume, not only with industry, but with agriculture. While immediate socialization of the land would be out of the question, he declares, socialists, if in power, should aim at the progressive nationalization of the land. This could be commenced as soon as labor possessed the necessary power and before conditions were ripe for the socialization of the farming industry.

"Such a progressive policy of nationalization of the land, without confiscation," he adds, "could be applied by conferring upon the state a right of purchase whenever a piece of land or an estate were alienated."[22]

The socialist regime, declares Kautsky, would encounter its greatest difficulties when it commenced to socialize agricultural undertakings. In that field, a start might be made in socializing isolated estates, which offer particularly favorable conditions, in order that the process might be gradually extended on the basis of the experience thus ac-

[20] *Ibid.*, p. 149. [21] *Ibid.*, pp. 149-53. [22] *Ibid.*, p. 233.

quired; later would come the socialization of small holdings and their amalgamation into larger estates.

A union of agriculture and industry should then be worked out, so that industry might be taken from the great cities and transferred to the country side. This opens to the workers the possibility of a few hours work in the open air, in field labor, and a few hours in the factory, "thus abolishing the soul- and body-destroying monotony of one-sided labor." [23]

Proposal of First German Socialization Commission.—Kautsky's general position on the socialization of the larger industries was similar to the proposal of the First Socialization Commission drafted by Professor Lederer, and supported by Kautsky, Hilferding, Dr. Adolph Braun, and prominent trade unionists. No economic organization is possible today, runs the preamble of this Commission's report, submitted on February 15, 1919, without the cooperation of the workers, as the workers have become distinctly conscious of their indispensability in the labor process. But this also involves the risk that the workers in any undertaking may lay claim to the possession of the means of production. "In view of this the necessity of unity of action cannot be emphasized too strongly. Democracy in the industry, accompanied by unity in the management of the whole industry, the deposing of capital as the ruling power, the entrusting of business superintendence to resourceful managers—such are the leading principles of the new system towards which the aspirations of the workers are directed.

"The entire German mining industry is to be transformed into a united and practicable corporation. The private undertakings as well as those of the state will be transferred to the possession of this economic body. Thus a great national coal organization will come into existence which will be directed by the workers, the management, and the community acting in concert. The Commission majority reject the notion of transferring the coal industry to a bureaucratic state undertaking."

[23] *Ibid.*, p. 250.

In another section, the Commission states that it lays the greatest stress upon granting sufficient power and liberty of action to the managing organs of the corporation, as "it holds the removal of free initiative and industrial responsibility to be unthinkable." This does not contradict, in any way, the principles of democracy. "Democracy certainly requires that every act taken by leading persons shall be supported by the confidence and the desires of all concerned, but it also implies that such leading persons should have complete decision and action." Extensive powers should therefore be given to the directorate to be appointed. But such free initiative in itself will not yet suffice. So long as the new ethical motives, such as the feeling of social obligation, and social ambition, do not provide the highest incentive to the greatest output, the incentive of a compensation for better results cannot be dispensed with. "It is, therefore, absolutely necessary that the qualities of general managers and directors should not be appraised according to bureaucratic rules, but should be measured according to the customs of private industry." [24]

Concretely, the Commission recommended that the whole of the German mining industry should be placed under a coal council, which would consist of a hundred members, and meet about four times a year. The management of the undertakings, the workers, and the consumers would each choose twenty-five of these members, and the remaining twenty-five would be appointed by the state. Of these at least one-third are to be officials, while the remainder should be drawn from scientific, economic, and government circles.[25]

[24] See Stroebel, *op. cit.*, pp. 250-1.

[25] The Second Nationalization Commission reporting in the summer of 1920, suggested an Imperial Coal Commission of 100 members, leaders of local mines and representatives of the workers and officials in the mines, the coal consuming industries and the community.

The proposal was drafted by Rathenau, and supported by trade unionists, including Wissell and others. The entire coal industry, as well as the industries for the production of by-products, it read, shall be attached to the German Coal Community, a corporation of public utility, which will conduct all business for the benefit of the community. In return for compensation, to be fixed by law, all private

Bauer of Austria on Socialization vs. Nationalization.—Of a nature similar to the German proposals is that of Otto Bauer, leader of the social democracy of Austria in his *Weg zum Sozialismus* (1919).

Bauer, in presenting his plan, is particularly critical of the ability of the state to manage industry.

"Now, who is to manage the socialized industry," he asks. "The government? Assuredly not. If the government controls as many undertakings as possible, it would be too powerful as against the people and the popular assembly; such an augmentation of governmental power would be dangerous to democracy. At the same time, the government would be a bad administrator of the socialized industry; nobody manages industrial undertakings worse than the state. For this reason we have never advocated the nationalization of industry, but always its socialization. Then who is to manage the socialized industry, if it is not to be the government?

and state undertakings will be transferred to the German Coal Community. The fixing of prices will be subject to the approval of the Imperial Government. The organs of the German Coal Community will be the Imperial Coal Council and the Imperial Coal Directorate. The Imperial Coal Council will consist of 100 members, to be chosen as follows: 15 by the managers of the local mines, 25 by the workers and 10 by the officials of the German mining community, 15 by the coal-using industries, 10 by the ultimate consumers; 5 experts appointed by the Reichstag and 5 by the Imperial Ministry of Economy, to represent the interests of the community; and 15 members, who have general technical and economic experience, by the Imperial Chancellor. Of the 25 last-mentioned members, not more than 8 may be Imperial, Provincial or Municipal officials. Membership in the Imperial Coal Council will be for a period of four years, a quarter of the members returning each year. The Imperial Coal Council will appoint the Directorate, which will consist of 5 members. Their term of office will last for five years. Two-thirds of the members may summon a meeting at any time. Members of the Directorate will receive a fixed salary.

The National Coal Council will have at its disposal a large margin of credit. It will appoint managers of local mines as well as the managers of the industry. The general managers and the managers of the mines will receive fixed salaries and such bonuses as may prevail in private industries.

The wages and labor conditions are to be settled between The National Coal Council and the appropriate trade union of the workers and officials. Workers Councils will choose the Destrict Council for each locality.

"Today," writes Otto Bauer, "the big industrial concerns are controlled by a board of directors which is elected by the shareholders. In the future also every branch of socialized industry will be managed by a board of directors; but this administrative body will no longer be chosen by the capitalists, but by the representatives of those social sections whose needs the socialized industry is henceforth to satisfy. Now who has an interest in the management of the socialized industry? First of all the workers, the employes, and the officials who are engaged in this branch of industry; secondly, the consumers who need the products of this branch of industry; and thirdly, the state as the representative of the community. Consequently, the directorate of each socialized industry will be constituted somewhat in the manner following: a third of the members of the directorate will be elected by the trade unions of the workers and by the organizations of the employes employed in the branch of industry. Another third will be formed by the representatives of the consumers. For example, in the directorate of the mining industry there will be representatives of consumers partly selected by the organizations of consumers of domestic coal, and partly by the organizations of consumers of industrial coal. The last third of the members of the directorate will be constituted by the representatives of the state. They will be appointed, partly by the Chancellor of the Exchequer, so that the treasury interests are represented, and partly by the National Assembly or Parliament, so that the general economic interests of the nation are represented. The representaives of the workers and employes on the one side, and those of the consumers on the other, will have antagonistic interests to champion; for the one side will desire high wages, and the other low prices. The representatives of the state will function as mediators and arbitrators between the two parties.

"To a directorate constituted in this manner will be entrusted the supreme control of the branch of industry: the appointment of the managing officials, the fixing of the prices of commodities, the conclusion of collective labor

agreements with the trade unions and the employes' organizations, the disposal of the net profits, etc. Special arrangements would be necessary to prevent the appointment of managing officials on personal or political grounds, and to ensure that the most efficient experts, engineers, and chemists were chosen. Perhaps the most appropriate means to this end would be as follows: The teaching staff of the technical high schools and the managing technical officials of the entire industry would form a committee, and this committee would be asked to submit proposals for each appointment of a managing official in a socialized branch of industry. The directorate of the branch of industry would then appoint one of the persons proposed."

This differs very little from the proposal which the majority of the first German Socialization Commission made in its report of February 15, 1919, dealing with the administration of a socialized mining industry.

Stroebel's Proposals.—After reviewing the various schemes for socialization proposed by socialist thinkers in England and on the continent, Heinrich Stroebel, the well-known social democrat of Germany, gives his adherence to a form of social ownership which involves a joint control by producers, consumers and the general public.

In transferring industry from private to public ownership, however, he suggests that socialization proceed not along horizontal lines, since business and technical interrelations of separate industries are too intimate, but that a country socialize at the same time a segment of industry; that, for instance, coal mines be made public property along with a corresponding number of iron and smelting works.[26]

[26] Stroebel, *op. cit.*, p. 234. Worthy of mention also in connection with those proposals is the socialization program of the Nationalization Research Committee of the United Mine Workers of America, drafted by John Brophy, President of District No. 2 of the United Mine Workers, and the late Arthur Gleason and others. This plan of public ownership of the coal mines of the country makes a distinction between control and administration of the mines. Control, they suggest, should be placed in the hands of a permanent Federal Interstate Commission of Mines, composed of 11 members, five to be named by professional and industrial organizations and six by the

Psychological Approach to Socialism.—With the development of social psychology, an increasing number of socialists and social reformers have given attention to the psychological factors at work in society, and particularly among the workers, leading to a more democratic industrial society. The result has been the publication of such work as Graham Wallas' *Human Nature and Politics* and *The Great Society,* John A. Hobson's *Incentives and the New Industrial Order,* Walter Lippmann's *Preface to Politics, Drift and Mastery* and *Public Opinion,* Seba Eldridge's *Political Action,* Ordway Tead's *Instincts in Industry,* John Dewey's *Human Nature and Conduct,* Pitirim Soro-

president. At the head should be the Secretary of Mines, a cabinet officer. The commission should collect all the significant facts regarding the industry, analyze the costs entering into the production of coal, make up the annual budget, fix the price of coal, conduct necessary researches, etc.

The job of administration should be vested in a National Mining Council made up of three kinds of members: (1) The financial, technical and administrative heads of the industry, (2) the miners, and (3) domestic consumers, the consumers in other allied industries and the community. There should be regional councils in the important regions and also mine committees in the mines or groups of mines.

Wages should be determined by a Joint Wage Scale Committee, representative of the miners and of the directors of the industry, the miners' representatives to be appointed by the United Mine Workers. A Bureau of Wage Measurement, connected with the Federal Commission of Mines, should assist in ascertaining facts which must be known before wages for particular kinds of work could be scientifically determined.

In 1923, three presidents of the anthracite districts of the United Mine Workers proposed to the United States Coal Commission a plan for the financing of the anthracite coal industry of the United States. "The financing of the industry," they claimed, should be so regulated that within "fifty years the industry can be entirely free from the charges made upon it by present investors." This may be done by (a) completing the retirement of the present bonded indebtedness of the industry in about 30 years and replacing the actual investment represented in outstanding stock by bonds bearing interest at six per cent and then retiring such bonds over a fifty-year period. The miners' statistician estimated that, under this plan, the average cost of paying all the capital claims would amount to only 28 cents a ton for fifty years, and after that drop to zero, while the capital claims under private control in 1923 was $1.40. (See Raushenbush, *The Anthracite Question,* (N. Y.: H. W. Wilson) and *The People's Fight for Coal and Power* (N. Y.: L. I. D.); *also New Leader* (N. Y.) Mr. 4, 11, 1927.

kin's *Sociology of Revolution,* and, finally, Henri DeMan's *Psychology of Socialism.*[27]

DeMan on Marxian Theories.—DeMan is rather definitely on the revisionist side of the Marxian controversy. Discussing the increasing misery theory, he declares that the important question is not whether misery constantly increases among the workers, but whether such increasing misery is a necessary forerunner of a revolution. If socialists really believed that this were the case, they would confine their attention to the preaching of class consciousness, and wait until the proletarian mass, sinking ever deeper in misery and conscious of their wrongs, revolted and established a new order. However, labor does no such thing. It organizes trade unions, establishes cooperatives, works for social legislation, and with a good deal of success. If labor, furthermore, held to the old Marxian concept of a capitalist state, it would have nothing to do with this machinery. But it does not adopt this policy, as is indicated by its daily political struggles within the capitalist state.

Simplicity of Marxian Prophecies.—DeMan further analyzes the Marxian theory of surplus value; the belief in the mechanization of the workers as a result of mass production; and the Marxian concepts of the inevitability of socialism and of the class struggle and of class solidarity. One of the circumstances that gave Marx his popularity, he declares, was the very simplicity of his theory. Marx dramatized the class struggle. He portrayed the evil present, the growing chasm between rich and poor, the crisis, the inevitable conflict between workers and capitalists, with the resulting downfall of the capitalists and the coming in of the workers' society. Following the Hegelian dialectic, Marx pictured progress in general as a result of increasing tension between two bodies, the head-on collision, the destruction of the one and the supremacy of the other. This presentation had a powerful dramatic appeal.

But economic progress does not come that way. Political

[27] DeMan, Hendrik, *Zur Psycholologie des Sozialismus,* Jena: Eugene Diederichs, 1926.

revolutions may, overnight, change entire systems. But change in industry comes out of the developing forms of already existing methods of production. There can be no sharp contrast, therefore, on the economic field between capitalism and socialism. One can think back over several centuries and, in retrospect, see the slow change from feudalism to capitalism, but one can point to no specific year when the change from one system to the next occurs.

Social Inferiority Complex.—Dealing with the class struggle, DeMan declares that the early history of the labor movement indicates that the first fights of labor were of a defensive character. They were fought with the idea of bringing back to the poor the independence which the workers enjoyed before the introduction of machinery. It was less a loss of income than a loss of independence which led to the fight. What spurs the worker on to participation in the class struggle today is not the simple emotional process of recognition of the difference of economic interests but a much more complicated emotional feeling which may be summed up as a social inferiority complex.

Psychology and the Class Struggle.—Among the psychological factors at work in the struggle is the general belief that, fundamentally, rights should be equal. This feeling is handed down from Christian teachings, which emphasized the equality of individual souls; from the feudal system, which preached that there were no rights without corresponding duties, and from the democratic tradition, which emphasized equality of political and social opportunity.

The worker also develops certain feelings, desires, wishes, in relation to his environmental situation, DeMan maintains. He wishes to profit from his labor; to count for something and obtain power in the workshop and in social life generally; to join with his fellows, and secure protection in his work.

Thwarted in his desires, he develops certain complexes: he feels that he is being exploited, that he is failing to get the satisfaction due him from his work; that he is being deprived of his independence; that he and his fel-

lows are bound together and are being condemned to a common fate. With that develops a feeling that a happier future state should be in store for him and his fellows.

Finally, out of these complexes arises a demand on his part for greater equality of opportunity; for the right to the full value of his toil; for economic independence, an opportunity to work, to be a man among men, to obtain something of the joy of work. He seeks equality of political and social opportunity; he develops a feeling of solidarity; and he begins to picture an ideal society which promises to satisfy these various demands.

DeMan discusses the thought process of the worker which leads him to a belief that he is exploited, and the important influence of the urge to power and the urge to happiness which is to be attained through the development and satisfaction of all of the needs of man, in the struggle for a better order.

Substitutions of New Motives.—In his discussion of incentives under the new order, DeMan contends that there must gradually be substituted for the present-day motive of the worker—the negative motive of the whip of hunger and of autocratic discipline—a new motive if the worker is to function effectively in industry "after the revolution." The Marxians, he declares, were too likely to feel that these lost negative motives could be immediately replaced by the new motive of conscious social purpose, when the workers gained control. This motive might, indeed, be sufficient to inspire a few hundred revolutionary leaders, but this small number, even if they gave up all of their revolutionary jobs, could not man the factories and keep industry going. The millions who are necessary to a revolution may become so aroused by a far-flung political purpose that they will sacrifice their lives, if need be, to effect that purpose. But one doesn't make out of these emotions new work habits.

The development of shop committees, the shop steward movement, democratic discipline within the shop, the spread of technical education and the preservation of craftsmanship, by means of the trade unions, are doing more to

develop new motives needed after the revolution than all of the speeches and articles during the revolutionary period.

Social Equality.—The chief appeal of socialism to the masses, he says in another place, is not the promise of socialism to develop an order based on ideal equality, but its promise to give the workers greater social equality than they now enjoy. The socialistic demand for equality is a sublimatory representation of the inferiority complex which, in a long historical process, has developed out of the environment of the labor movement.

Origin of Social Inferiority Complex.—And in the last analysis, contends DeMan, this social inferiority complex of the workers is not traced to their political disfranchisement or to their economic neglect, but to psychological fact. The real and inescapable mark of the social inferiority of the worker is his belief in this inferiority. The labor movement is socially backward because it feels socially backward.

One presupposition of social inferiority is the belief in the permanence and unchangeable character of class lines. Another is the conviction that the condition of the non-working class is more desirable than its own. These are spiritual presuppositions. These presuppositions are not to be found among certain groups of workers who live under similar material circumstances.

American Worker Lacks Inferiority Complex.—For instance, the American workers are today not less exploited economically than are their European class comrades. The old opportunities existing in the early part of the country to rise from the working class, and become independent business men and entrepreneurs, do not at present exist, but the faith that was born at that time out of the political, economic and social conditions of the day is still held and retards the development of the class inferiority complex. The American worker therefore declines to be regarded as a member of the proletariat or a "wage-slave," even though his economic position puts him into that class. He regards the admission that he no longer expects to rise

out of his class as a damning admission of his own inability. At the very least he holds tight to the faith that his children will have the opportunity of unlimited advancement. Consequently he values one position in society as highly as another. He places an honest wage-earning producer on an equal plane with an independent business man or a wealthy capitalist, and at times on a higher plane. Both the American worker and the farmer look down on the rich who live on their income as upon a social inferior. The American sees the prestige of a rich man less in his possessions than in some virtue of industry which he may have exemplified. The worker hunts for social superiority elsewhere than among the rich. He is particularly proud of a type like Abraham Lincoln because Lincoln rose from the ranks of labor.

The social-political push to equality is greater in America than elsewhere, but it needs more spiritual food than it now secures.

Class and Social Solidarity.—Discussing the doctrine of class solidarity, DeMan declares that solidarity is not a new motive, but only a special form of the old social or altruistic instinct. Marx is wrong in assuming that class solidarity remains a simple class relationship and that it can only be transformed into a social ethic when a new class mastery has formed a new method of production. If this were really so, socialism would be in a bad way. The system adopted would be syndicalism, not socialism. Marx's conception is a too mechanistic and rational conception of the economic man, and is inadequate, as class interests alone do not develop into ethical motives. The fact that workers who become foremen often are worse despots than the entrepreneurs indicates the inadequacy of this solidarity theory.

Social Inferiority Complex Becomes Spiritual Gain.—There is a time, continues the author, when the social inferiority complex of the labor movement changes from a spiritual loss to a spiritual gain, in that it takes a positive conception of right. "When there is suffering there is hope, and where there is hope, there is faith," is a com-

mon psychological truth. Unpleasant emotional situations bring with them the sublimating conception of a better state of affairs. Out of the ethical indignation against the social relationship of increasing social inferiority grows the new feeling of longing for a better future relationship and what one longs for, one believes in. The strength of this faith increases in proportion as one becomes conscious of the suffering of the day. However, there must be as a preliminary condition to the reality of this faith a feeling of solidarity grounded at least in the consciousness of a class.

Goals vs. Motives.—In conclusion DeMan declares that his sympathies are with the practical reformists in the socialist movement rather than with the revolutionists. He is a socialist not because he believes in the superiority of the future ideal of socialism to all other ideals, but because he believes that the socialist motives make better and happier men. For socialism raises their motives for activity and gives them super-personal purposes. It makes them powerful, while it drives them on to dissatisfaction. Its worth to humanity does not depend on its logical system of thought but on the moral content of the motives that seek expression in it.

Goals are only imaginary points of a future horizon toward which we project our wills. They only turn into reality when they create motives to will action. The distance between the present situation and the desired goal should not be too great, if one is not to waste one's power. One secures greatest satisfaction when working for the goal that is possible.

DeMan declares that he was never a Marxist but that the more he separated himself from Marxism, the nearer he felt to the essence of socialism, as it expressed itself in the eternal push toward a moral social order.

The Need for Faith.—DeMan criticises the use of force in social progress and declares that the drawing power of socialism diminishes as socialists try to drive too shrewd bargains as politicians. Post-war socialism, he contended, is suffering from the disillusionment of the worker, due

to the fact that the socialists in many countries played too much politics during the war. This disillusionment is, in other words, a sign of unsatisfied needs for faith. The opportunists will discover that they were throwing away their drum when they left the need of the masses for faith unconsidered. The author, in conclusion, declares his belief that the working class will abandon the prevalent materialistic symbolism and return to the religion that socialism had in its beginning.

Hobson on Industrial Incentives.—A further contribution to the study of psychological forces now operative in industry and those that may be expected under a new social order is that of John A. Hobson's *Incentives in the New Industrial Order.* In this book the Britism economist shows how the old incentives are breaking down and analyzes various incentives that might supersede the profit motive under public ownership. Following his survey of the situation, Hobson concludes:

"While nothing can be more certain than that the old arrangements of incentives to efficient industry will no longer work, and need to be replaced by new ones, it is equally certain that the psychology of this reform must be adapted to the special technical and human conditions of the several industries, and the types of business in each industry, with close regard to the racial and other natural and educated characters of the employes. Finally, the pace and extent to which reformed industrial methods are capable of application will largely depend upon the education of the general body of citizen-consumers and their willingness to give serious attention to the central processes of industrial government through an intelligently ordered state." [28]

In his latest book, *Free Thought in the Social Sciences,* he especially emphasizes the waste of incentives under the present system.

[28] Hobson, John A., *Incentives and the New Industrial Order* (N. Y.: Seltzer, 1922), pp. 159-60. See also Dell, Robert, *Socialism and Personal Liberty* (N. Y.: Seltzer, 1922), Esp. Ch. VIII; Keynes, J. M., *Laissez-Faire and Communism* (N. Y.: New Republic, 1926), pp. 103 *seq.*

"I hold," he declares, "that the true labor case lies, not in an insistence that labor is the sole source of wealth, still less in the narrow meaning of labor which excludes or disparages brain work, but in a clear, informed insistence upon the wasteful application of the incentives applied to evoke all the best physical and intellectual powers of production in their right proportions and combinations. This wasteful application of incentives arises from the unsatisfactory conditions of the 'markets' in which the various requisites of production are bought and sold, that is to say, in the bad conditions for the distribution of the economic product in the form of income. This, in its turn, is due to an inequality of bargaining power, which gives an unfair advantage at each stage to the buyer or the seller, resulting in a trebly wasteful apportionment of income. Those who get more than suffices to evoke the best use of their ability, labor, land, or other productive instrument they sell, tend to employ that 'surplus' wastefully, either in setting productive power to make luxuries for their consumption, or in enabling themselves to consume their share of work to the common stock, or else in selling productive power to make increased instruments of production in excess of possible demand. Those who get less than is required to support and evoke their best use of their labor, or other productive instrument, are thereby rendered less efficient producers. These two wastes of overpayment and underpayment are evidently the convex and the concave of the same fact. But this realization of the true origin and nature of 'waste' in our economic system involves a complicated analysis of many different sorts of bargain and is not easily accommodated to the needs of an inspiring myth." [29]

Hillquit on Waste.—Hobson is not the only socialistic writer who has been emphasizing waste, rather more than exploitation, during the last decade, as an outstanding evil of capitalism. Thus the American Socialist, Morris Hillquit, maintains:

[29] Hobson, *Free Thought in the Social Sciences* (N. Y.: Macmillan, 1926), pp. 149-150.

"The chief aim of the socialists, in fashioning the new social order, is not so much concerned with the re-distribution of wealth as with the elimination of the wastes of the present system.

"We object to the present inequitable distribution of wealth, but we are even more concerned with the anarchy of production that exists today. We know that the capitalist class does not take more than one-third of the total product. We know, also, that it does not itself consume this one-third. It goes back into industry. If the workers were to receive 20 per cent more of the product than they receive today, there would not result any radical revolution in our present system. The ideal social order is primarily a system planfully, scientifically organized, without the wastes of today—the wastes of unemployment, of the middlemen, etc.

"The difference in systems would be primarily an increased productivity, followed by an equitable distribution of this increased product. There would then follow some very radical changes. While it is true that the ruling class does not itself consume the great wealth produced, it is nevertheless true that the possession and manipulation of this wealth by a ruling class undermines the foundation of the nation politically, morally and otherwise.

"Through this increase of wealth and its equitable distribution, we envisage a state of society in which political power, the arts, the sciences and the general culture will also be heightened and diffused. Democracy will be diffused. To the masses will be brought for the first time the enjoyment of the benefits of modern civilization." [30]

This side of the socialist indictment has also been recently emphasized by Chase, Webb, Veblen, Chiozza-Money, the Committee of the British Labor party, and others.[31]

[30] Bulletin, *League for Industrial Democracy*, May, 1926, p. 10.

[31] See Stuart Chase, *The Tragedy of Waste* (N. Y.: Macmillan, 1925); Sidney and Beatrice Webb, *The Decay of Capitalist Civilization* (N. Y.: Harcourt and Brace, 1923); Thorstein Veblen, *The Engineer and the Price System* (N. Y.: Huebsch, 1921); Laidler, *Socialism in Thought and Action* (N. Y.: Macmillan, 1920). Ch. I; Federated Engineering Societies, *Waste in Industry* (N. Y.: McGraw-Hill, 1921); *The Waste of Capitalism*, London: National Joint Pub. Dept. 1924.

Tawney on the Functional Society.—R. H. Tawney has recently attacked the social problem from another angle, that of function. Tawney vigorously criticises the present order on the ground that, under it, rewards and responsibility bear little relation to the function performed in industry.

"The first principle," declares Tawney, "is that industry should be subordinated to the community in such a way as to render the best service technically possible, that those who render that service faithfully should be honorably paid, and that those who render no service should not be paid at all, because it is of the essence of a function that it should find its meaning in the satisfaction, not of itself, but of the end which it serves. The second is that its direction and government should be in the hands of persons who are responsible to those who are directed and governed, because it is the condition of economic freedom that men should not be ruled by an authority which they cannot control. The industrial problem, in fact, is a problem of right, not merely of material misery, and because it is a problem of right it is most acute among those sections of the working classes whose material misery is least. It is a question, first of function, and secondly of freedom." [32]

"Today," he continues, "the enjoyment of property and the direction of industry are considered . . . to require no justification, because they are regarded as rights which stand by their own virtue, not functions to be judged by the success with which they contribute to a social purpose.

"What gives its special quality and character, its toughness and cohesion, to the industrial system built up in the last century and a half, . . . is the doctrine that economic rights are anterior to, and independent of, economic functions, that they stand by their own virtue, and need adduce no higher credentials. The practical result of it is that economic rights remain, whether economic functions are performed or not. They remain today in a more menacing

[32] Tawney, R. H., *The Acquisitive Society* (London: Bell, 1924), pp. 7-8; also (N. Y.: Harcourt, Brace, 1924).

form than in the age of early industrialism. For those who control industry no longer compete but combine, and the rivalry between property in capital and property in land has long since ended.

"The basis of the New Conservatism appears to be a determination so to organize society, both by political and economic action, as to make it secure against every attempt to extinguish payments which are made, not for service, but because the owners possess a right to extract income from it. . . ." [33]

Tawney therefore urges that humanity reach forward to a functional society, that is, a society which aims at making the acquisitions of wealth contingent upon the discharge of social obligations, which seeks to proportion remuneration to service and denies it to those by whom no service is performed, which inquired first, not what men possess, but what they can make or create or achieve.[34]

Tawney takes the older economists to task for failing to observe what incentives actually motivate mankind, and for assuming that fear of starvation, on the one hand, and profits, on the other, are the incentives that must be relied upon to gain the best results.[35]

[33] *Ibid.*, pp. 27, 30-1.

[34] *Ibid.*, pp. 31-2. See also Joad, C. E. M., *Introduction to Modern Political Theory* (N. Y.: Oxford Univ. Press), Esp. Ch. VI.

[35] With the development of the great corporation, socialists and others are commenting to an increasing extent on the fact that the inactive stockholder has little if anything to do with management, and that the actual managers may or may not have any share in the ownership of industry; may, indeed, be uninfluenced by the profit incentive in the old sense in which this has been used. Thus, following an address by George Soule, an editor of the *New Republic*, on "Changing Relations between Property Ownership and Control," the Conference of the League for Industrial Democracy in June, 1926, resolved:

"Whereas, One of the fundamental justifications of profit and private enterprise has been that the owner of a business, who risks loss and seeks profit, is responsible for management, and thus is led to seek industrial expansion and efficient operation, with their benefits to society, and

"Whereas, The large corporation, combined with widespread stock ownership, holding companies and indirect investment of various kinds has separated owners from control over management, and

"Whereas, It is neither possible nor desirable to restore control

Wealth and Welfare.—Another young British socialist, William A. Robson, has recently questioned the social efficiency of a system which leads to great economic inequalities, on the ground that, after an individual or a society receives a certain income, further increments to that income bear no necessary relation to increments in welfare. He also calls into question the current belief that a nation's real wealth can be calculated in monetary terms.

"Monetary wealth," declares Robson, "is a most inadequate index of welfare, since it not only ignores all moral or ethical values in reference to that wealth, but excludes from consideration all manner of things, such as, for example, the aesthetic sense, climatic conditions, etc., social harmony, the intellectual atmosphere, and so forth which may have but little relation to an ability to afford clothes of the best wool, or to satisfy carnivorous instincts three times a day. As Mr. Graham Wallas has said, 'two types of industrial organization might . . . be equally efficient in the production of wealth and yet life under one might be happy and under another unhappy.' "[36]

It is therefore necessary, concludes the author, to think of material well-being in terms of non-monetary individual welfare, actual and potential, of large numbers of men, women and children, if we are to move forward to the highest human destiny.

Veblen on Financiers vs. Engineers.—Certain socialistic economists in America have recently developed the thesis that the financiers who are exercising a potent control over the system are throwing many obstacles in the path of the industrial engineers in their attempt to place industry on a more scientific basis. Thorstein Veblen thus puts the case:

over management to millions of absentee owners, and the traditional function of the old profit incentive is thus no longer to be relied upon, be it

"Resolved, That it is of great importance to recognize this fact in economic theory, popular discussion and public policy, and to inquire what other incentives can or do influence management."

[36] See Robson, William A., *The Relation of Wealth to Welfare* (N. Y.: Macmillan, 1925), p. 165.

"Business enterprise may fairly be said to have shifted from the footing of free-swung competitive production to that of a 'conscientious withholding of efficiency,'" at least in large scale industry.

The modern financiers "are experts in prices and profits and financial manoeuvres; and yet the final discretion in all questions of industrial policy continues to rest in their hands. They are by training and interest captains of finance; and yet, with no competent grasp of the industrial arts, they continue to exercise a discretion as captains of industry. They are unremittingly engaged in a routine of acquisition, in which they habitually reach their ends by a shrewd restriction of output, and yet they continue to be entrusted with the community's industrial welfare, which calls for maximum production. . . .

"So it happens that the industrial system is deliberately handicapped with dissension, misdirection, and unemployment of material resources, equipment, and man power, at every turn where the statesmen or the captains of finance can touch its mechanism; and all the civilized peoples are suffering privation together because their general staff of industrial experts are in this way required to take orders and submit to sabotage at the hands of the statesmen and the vested interests." [37]

Veblen urges the industrial engineers to organize to put an end to this domination, form a soviet of technicians, unite with labor, and assist in the great social change.[38]

Thomas on International Organization.—Socialists have also, since the war, increasingly realized that any scheme

[37] Veblen, Thorstein, *Engineers and the Price System,* pp. 36-38; 40-1; 54-5.

[38] See also Ward, Harry F., *The Profit Motive* (N. Y.: League of Industrial Democracy, 1924). For an engineers' point of view regarding methods of making socialism efficient, see Mackaye, James, *Americanized Socialism* (N. Y.: Boni and Liveright, 1918). See also Veblen, Thorstein, *The Theory of Business Enterprise* (N. Y.: Scribners, 1912). Veblen, Thornstein, *The Instincts of Workmanship, Absentee Ownership,* etc. One of the most comprehensive attacks on the present order made since the war is *The Decay of Capitalist Civilization,* by Sidney and Beatrice Webb, (N. Y.: Harcourt, Brace, 1923).

of socialization must, if not immediately, then ultimately, be considered in terms of a world, rather than a mere national, economy.

"These plans," declares Norman Thomas, a prominent American socialist, in dealing with the problem of social ownership, "will doubtless begin with national boundaries —indeed they have begun—but unless they are backed up by a genuine internationalism of labor, and of consumers' cooperation, and are accompanied by a development of international machinery for the more equitable allocation of raw materials they will not solve the problems of social peace and well being." [39]

From Other Angles.—Finally socialists have recently begun to evaluate the newer findings of educators, biologists and anthropologists, as well as psychologists, in terms of the principles underlying the socialist movement and have likewise given increasing attention to actual experiments in industrial democracy in the workshops and their effect on human motivation.[40]

Summary.—It is thus seen that, since the war, socialists have attacked the problems of socialization of industry from various angles. They have specifically studied the question of the industrial control by producers, technicians and consumers. They have investigated the problem of industrial incentives; critically analyzed the function of the state and brought to bear upon the movement the results of the latest findings in social psychology, biology and anthropology. The tendency of socialist thinkers to investigate concrete social experiments and to evaluate the

[39] Thomas, Norman, *What Is Industrial Democracy?* (N. Y.: League for Industrial Democracy, 1925), p. 54; see also Thomas' *Challenge of War* (N. Y.: L. I. D., 1926); Nearing, Scott, *The Next Step,* 1922 (Ridgewood, N. J.: The Author); Russell, Bertrand, *Prospects of an Industrial Civilization.*

[40] See Chase, Stuart, *Are Radicals Crazy?* (N. Y.: League for Industrial Democracy, 1926); Dorsey, George A., *Why We Behave Like Human Beings* (N. Y.: Harpers, 1926); Dewey, John, *Human Nature and Conduct;* Hocking, *Human Nature and Its Remaking;* Douglas, Paul H., *The Columbia Conserve Co.* (Indianapolis, Columbia Conserve Co., 1926); Myers, James, *Representative Government in Industry* (N. Y.: Doran, 1924); also publications of Russell Sage Foundation.

socialist philosophy in terms of the new discoveries of social psychology—still in its infancy—is, perhaps, among the most significant developments in the movement today.

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Part V
ALLIED MOVEMENTS

CHAPTER XXX

THE CONSUMERS' COOPERATIVE MOVEMENT

The Consumers' Viewpoint.—In the preceding pages, we have discussed the thought life of socialism, and the efforts of socialists and of communists, through the control of the state, to put their theories into practice. While the socialist forces have been gathering strength, in their efforts to reconstruct industrial society, tens of thousands of workers, through the consumers' cooperative societies, have been quietly engaged in the practical work of building up an industrial democracy owned and controlled by working class consumers within the framework of the capitalistic order.

The Birth of the Movement.—Various dates have been given for the birth of the modern consumers' cooperative movement. The first consumers' society of which definite records are available was that of the Fenwick Weavers, organized in Ayrshire, near Glasgow, Scotland, in 1769. During the next half century several other societies were founded in the Glasgow district, which may be regarded as the "cradle of the cooperative movement."[1]

The movement gained a new impetus during the twenties of the nineteenth century as a result of the agitation of Robert Owen in behalf of working-class communities. The communities, Owen urged, were, indeed, "as unlike the aims of the first cooperative societies as chalk is unlike cheese," but his propaganda popularized the notion of associated industry, and in time, almost all poor workers who desired to escape from the slavery of the new factories and the horror of the new towns were convinced that if only they

[1] See Warbasse, James P., *Cooperative Democracy*, p. 379.

were to live together in a community, they would be as secure as any fugitive who ever sought sanctuary.''[2]

Starting out with a desire to organize such colonies, they soon came to the realization that they must have a certain initial capital to start with; that they had none, and that the rich and powerful had no wish to help them out. One plan of saving funds that suggested itself was that of cooperation in the buying and selling of necessities. They could put aside the amount saved and use it for community purposes.

King and the Brighton Pioneers.—One of the most ardent cooperators of this period was Dr. William King, a physician of Brighton, who financed and edited *The Cooperator* (1828–30), a publication setting forth sound principles on which cooperative stores should be founded. A year previous to the issuance of this paper, a Brighton Society had been formed with a capital of 100 pounds and had opened a store for business. During the next few years some 300 cooperative stores sprung up in various parts of England. While most of these went out of existence, the movement did not die.

The Rochdale Experiment.—It was not, however, until the forties that what might be called the standardized cooperative movement was born. In November, 1843, some twenty-eight flannel weavers, after an unsuccessful strike, met one afternoon in the Chartist Reading Room in Rochdale, England, near the great manufacturing center of Manchester, and discussed what could be done to better their condition. They finally agreed on a plan for starting a retail store to be owned and managed by the members, and to be run without profit. Twelve of the more opulent resolved to put aside a few pence a week toward the initial capital, and in the course of a year, the weavers accumulated $140. They hired the ground floor of an old warehouse in Toad Lane, and, amid the derisive remarks of neighboring storekeepers, opened up the store December, 1844, for trade on Mondays and Saturday nights.

[2] T. W. Mercer, in ''One Hundred Years Ago,'' *People's Year Book*, 1925, p. 13.

"The objects and plans of this society," they wrote, "are to form arrangements for the pecuniary benefit and improvement of the social and domestic condition of its members."

Their first step was the sale of goods, but that was to be followed, they asserted in their rules, by the erection of houses, the manufacture of necessities and the purchase of estates which might be cultivated by unemployed or poorly remunerated members. "As soon as practicable," they added, "this society shall proceed to arrange the powers of production, distribution, education, and government; or, in other words, to establish a self-supporting home colony of united interests, or assist other societies in establishing such colonies."

Rochdale Principles.—They organized their society on principles which have been followed in general by the cooperative movement from that day to this. These principles were:

1. Each member of a society shall have one vote in the determination of policies, the election of officers, etc., and one vote only.

2. Capital invested in the society shall receive a fixed rate of dividends, which shall be no more than the minimum commercial rate.

3. Any surplus accruing by virtue of the difference between the net cost and the net selling price of commodities and services—after meeting running expenses, paying interest and setting aside a fund for depreciation, improvements, etc.—shall be returned to the members as savings-returns or "dividends" in proportion to their purchases, or spent for education or other social purposes.

In addition, the Rochdale pioneers decided (1) to sell goods on a cash basis; (2) to permit unlimited membership in the society; (3) preferably to charge the patrons prices similar to those charged by neighboring competitors in profit-making industry, rather than cost prices, so that they might accumulate capital and obviate hostile competition; (4) to insist on "supplying the purest provisions they could get, giving full weight and measure"; (5) to

expand cooperative services, in conjunction with other cooperatives until these services included the control of raw materials and the production of certain necessities, and ultimately to form national and international organizations having a common aim.

Growth of the Rochdale Store.—At the end of 1845, these Rochdale Pioneers, as they were called, had a membership of eighty, and a capital of $900. They early resolved to set aside 2½% per cent of their savings for educational purposes. They added commodity after commodity to their stock of merchandise, developed a reading room and library and added recreational, banking, insurance and other features. At its Fifty Year Jubilee, in 1894, this single society was able to report a membership of 12,000, funds of $2,000,000, and an annual business of $1,500,000. In the thirty years following, this membership had grown to 26,000 while the sales had correspondingly increased. An offshoot of the society in Rochdale had a business of approximately the same size.

The Cooperative Union.—The consumers' cooperative movement has steadily expanded in Great Britain from 1844 to the present time. As the movement gained strength, the cooperators looked toward a federation of societies. Conferences were held in London in 1850, 1855, and finally, in 1869. In this year a federation was formed which grew into the Cooperative Union, created for the purpose of education, propaganda and protection. This Union now contains most of the British cooperative societies of Great Britain and "may be regarded as the soul of the British movement." [3]

During its years of service, it has published many dozens of tracts interpreting the work of the movement; established scores of libraries and reading rooms; conducted hundreds of courses on cooperation and civic problems; organized lectures and entertainments; given needed advice to struggling stores; acted as arbitrator in times of disputes; lessened the evil of the overlapping; defended the

[3] Warbasse, *op. cit.*, p. 389; see also Laidler, Harry W., *The British Cooperative Movement.*

movement in Parliament and in many other ways helped to solidify the forces of cooperation and bring before the membership the larger aims of the movement.

The Establishment of the Wholesale.—The stores at first frequently found it difficult to obtain goods from wholesalers on account of discriminating treatment, and, as isolated units, were often compelled to purchase goods in very small quantities. Consequently agitation arose for the establishment of a wholesole society owned by retail cooperative societies. The result was the opening, in 1863, nearly twenty years after the establishment of the Rochdale store, of a central wholesale, the Cooperative Wholesale Society, at Manchester.

The headquarters of the wholesale appeared at first like "a gaunt spectre haunting certain rooms in Cooper Street and starving upon quarter rations." The wholesale, however, soon began to develop. During the first few years, it confined its transactions and displays to groceries, boots and shoes, but later added clothing, furniture, tea, printing and various other services, and opened branches in London, Newcastle and certain other cities.

Cooperative Factories.—The British cooperators decided, as their next step, to become their own brokers and to station purchasing agents in various parts of the world. Depots were established in Cork, New York, Hamburg, Copenhagen, Montreal, Freetown, South Africa and other cities.

From becoming their own brokers, they soon went into manufacturing and established a number of factories for the preparation of such essential commodities as bread, flour, corn, cocoa, chocolate, lard, and butter, jam and tobacco. For in this way only, they declared, could they assure the quality of their goods. Great factories were established, likewise, for the making of boots, shoes and clothing. In 1874 they began the manufacture of soap and later organized a depot in Africa for the collection of palm oil and kernels, to be used for that purpose. By 1922, the English wholesale controlled 116 factories, while the Scottish movement carried on thirty different industries.

Back to the Land.—With the establishment of productive enterprises, the cry of "back to the land" was raised by numerous cooperators. These argued that the ideal of cooperation would not be reached until the movement owned some part of the soil and grew its own raw materials thereon. In accordance with this belief, the Cooperative Wholesale Society in 1896 purchased for $150,000 an estate of between 700 and 800 acres in the western part of England for the raising of fruits and vegetables.

Eight years later they added another estate near Hereford, with great numbers of fruit trees. By 1925 they had acquired about 35,000 acres of land in England, representing an investment of over $5,000,000. In 1902 the English and Scottish Wholesales purchased three large tea estates in Ceylon and at the present writing are the owners of over 40,000 acres of land in Ceylon and India. In 1916 the Cooperative Wholesale Society acquired title to 10,000 acres of wheat land in Canada, and later bought palm olive estates in West Africa. It owns many steamships and possesses its own fishing fleet. It is the largest single purchaser of Canadian wheat in the world, and its flour mills are the largest in Great Britain.

The Cooperators Enter Banking.—The cooperators soon saw the advantage of mobilizing their credit and conducting their own banking operations, and in 1872 the English Wholesale opened a Deposit and Loan Department. This department, afterwards termed the Banking Department of the Cooperative Wholesale Society, received deposits from retail societies and loaned money to them in time of need. In the year 1925, the deposits of and withdrawals from this department amounted to over $2,860,000,000. Over 1000 of the retail societies and over 7,000 trade unions and friendly societies keep their accounts with this institution. More recently the wholesale has opened its doors to individual members who may deposit money with it through the retail cooperative stores, and borrow money from it for the purpose of building or purchasing their own homes. Its loans have facilitated the building of thousands of working class homes.

The Cooperative Insurance Business.—Another department of the Cooperative Wholesale Society dealt in insurance. Four years after the formation of the wholesale, the society took charge of its own fire insurance. It was, however, slow to realize the desirability of providing its members with industrial life insurance. Although the life insurance business was organized in 1886, it was not until 1900 that industrial insurance policies were offered its members. Since then the progress of the department has been steady. At present practically every kind of industrial insurance is conducted by the Insurance Department—fire, accident, death, workingman's compensation, employers' liability, burglary and fidelity guaranty. Perhaps the greatest achievement of the Cooperative Insurance Department is the so-called "Collective Insurance Scheme," under which it is possible for retail cooperative stores to insure as societies. The retail pays to the Wholesale Insurance Department two cents a year for each $5 of purchases made by members. By this means, all of the members of the cooperative are automatically insured. Insurance money is paid to the wife or husband on the basis of the average annual purchase made by the members during the three years prior to death. The expense of administering the plan is about 3 per cent of the premium paid in, while that incurred in administering the average industrial insurance is 40 per cent.

Present Extent of Movement.—The 1925 statistics of the cooperative movement in Great Britain and Ireland indicate the existence in those countries of 1421 cooperative societies of all kinds with a membership of nearly five millions (4,960,883). Most of these represent families, and it is estimated that about one-third of the population of Great Britain is thus included within the scope of the movement. More than two hundred thousand workers (204,366) were employed in all societies in 1925. The total trade of these societies amounted to nearly one and a half billion dollars (£295,828,010), the largest in the history of the cooperatives, while the books showed a net surplus of over one hundred million dollars (£23,211,134).

The report of the British and Scottish Cooperative Wholesale Societies in 1925 showed the following:

Cooperative Wholesale Societies

	British	*Scottish*
Number of Affiliated Societies	1,171	265
Share Capital	6,192,341 pounds	1,469,082 pounds
Total value of Business to Distributive Establishments	76,585,764 pounds	17,714,967 pounds

Control.—Any person of either sex can, at any time, join a consumers' cooperative society by purchasing a share of stock (in most of the societies the shares range from $5 to $10). As a rule, membership begins as soon as the first deposit on the share is remitted to the society. The remainder of the stock is frequently paid for out of the dividends which would naturally accrue to the member through purchases at the store. All members are privileged to attend the quarterly meetings of the society and to vote on all issues. As has been before stated, each member has one vote and one vote only, irrespective of the number of shares owned.

"The poorest, youngest, humblest adult of either sex, who yesterday made his first purchase, if he pays up a single pound for his share," declares the Fabian Research Department, "is equally governor and controller of the whole colossal enterprise, and has an equal voice in the decisions of its most momentous issues with the man who has been a member since its establishment."

The membership elects the committee on store management, which ranges from between 7 to 28 in number. In most societies employes are excluded from holding office. Officers must possess a certain minimum of shares.

This democratically elected committee on management appoints the store manager, where he is not elected at meetings of the society, and has charge of the affairs of the society. The membership of the cooperative stores is overwhelmingly working class in its character—miners, weavers,

artisans—and the management committee is very largely composed, as a rule, of manual workers. In many suburbs, however, the professional and clerical groups exert an important influence.

The Cooperative Wholesale Societies are managed in the same democratic fashion, from the standpoint of consumers, as are the retail societies. The large majority of the retail cooperatives in Great Britain are members of the English or Scottish Wholesales. Each retail society, on joining the wholesale, buys from the wholesale shares to the extent of $5 for every member it has enrolled. In England a society has one vote in the Wholesale for every 500 of its members; in Scotland, voting power is proportionate to purchases from the wholesale. Delegate meetings are held twice a year at which financial reports are presented and discussed, and the general affairs of the society considered.

The management of the English Wholesale is in the hands of some thirty odd directors elected by the delegates of retail societies to hold office for two years. These directors give their entire time to the business of the Wholesale at a modest salary. The Scottish Wholesale has a board of management of twelve. The majority of these boards is composed of workers. "These two committees," declares the Fabian Research Bureau, "are a standing proof of the capacity of the British workmen for industrial self-government." For not only practically all the committeemen, but, with one or two exceptions, all the officers of the wholesale societies belong to the manual working class by birth, by tradition and by sympathy.

Cooperatives and Political Action.—During the war, as a culmination of a series of discriminations on the part of the government, the British cooperatives entered politics, determined to secure direct representation of their economic interests. A national conference was called in the latter part of 1917, and a National Cooperative Parliamentary Representation Committee was appointed. The conference adopted a legislative program, aimed at safeguarding the interests of voluntary cooperation and resisting any legislative or administrative discriminations

that might hamper cooperative progress. In the elections of 1918, one Parliamentary candidate on the Cooperative party ticket was elected. In 1926, four Parliament members represented the Cooperative party. In Parliament this group has worked in ever closer cooperation with the Labor party and may ultimately merge with it.

Achievements of Movement.—While the cooperative movement in Great Britain has not solved the social problem, it has thus far had valuable results. It has saved millions of dollars to its working class membership that would otherwise have been distributed among middle men and merchants—the average rate of dividend has been 13.5%,[4] and has thus meant higher living standards. It has assisted the workers in obtaining credit, for the purpose of buying or building their own homes. It has provided them with an easy method of saving; has ensured honest goods and honest weights and measure.

More important have been its educational results. The cooperative movement in Great Britain has given to many thousand of workers a valuable training in the conduct of industry and in the art of working together to achieve significant results. It has inspired them with a confidence in the capacity of the working class to control a still greater share of its industrial life. It has shown them who in their own ranks can be entrusted with their cause. To society at large, it has given some conception of the enormous wastes that may be eliminated under a cooperative system and has shown that many thousands of efficient managers may be induced to do their best work in industry for other than the profit motive.

"Everywhere," write Sidney and Beatrice Webb, "the cooperative society started without capital, without experience, without the service of specialized brains or business knowledge, and without the motive, in its directors and managers, of making profit for themselves. However successful the enterprise grows, however greatly the sites and buildings increase in value, however complete may become the society trading predominance in the town, the little

[4] Gide, Charles, *Consumers' Cooperative Societies*, p. 93.

knot of railwaymen or engineers, weavers or miners, by whom the society was founded or fostered, get no greater advantage than the last newcomer who puts down a shilling as an installment of his personal share, which he takes up at par. No private fortune has ever been made out of cooperative administration. It was no exceptional case when T. W. T. Mitchell, who had been for over twenty years periodically elected and reelected as chairman of the Cooperative Wholesale Society, serving what became in his hands a colossal enterprise, for no more than the exiguous fees allowed to each director for the expenses of attendance at the board meetings, died worth only a few hundred pounds; his very name unknown either to 'society' or to the politicians; rich only in the admiration and esteem with which he was regarded by hundreds of thousands of his fellow members." [5]

Cooperation in Continental Europe

Belgium.—The consumers' cooperative movement, however, has not been confined to the British Isles. It has spread throughout the world. It has been particularly successful on the Continent of Europe.

In Belgium, consumers' cooperation took root in 1880, through the efforts of de Paepe, Anseele, Bertrand, Vandervelde and others. The Belgian movement differs from the British in several ways.

(1) It has always been an integral part of the trade union and political labor movements. The ideal of the Belgian cooperators has been to have the trade union, cooperative and political wings of the labor movement work in complete harmony with each other and mutually to supplement each other. The cooperative store, declared Anseele years ago, is "a fortress whereby to bombard the capitalist society with potatoes and 4-lb. loaves of bread." [6] This unity has been achieved, to the advantage of all

[5] Webb, S. and B., *The Consumers' Cooperative Movement*, pp. 389-90.

[6] Quoted in Warbasse, *op. cit.*, p. 303; Gide, *Consumers' Cooperative Societies*, p. 39.

groups in the labor movement. Most of the workers in the Labor party are cooperators and trade unionists. The headquarters of the three forms of working-class activity are usually in the same buildings and, directly and indirectly, the cooperative movement comes to the assistance of the trade union movement during economic crises and assists in the propaganda of the political organization.

(2) The movement had its inception in the cooperative bakeries rather than stores, and the importance of this phase of cooperation has continued until the present day.

(3) The movement has laid little emphasis on the savings-return or "dividends" feature of cooperation. Rather than return a substantial "dividend" to the member-purchaser at the end of each quarter it has sought to render the members certain social services, that are performed in some other countries, by the socialized state, such as old age pensions, life, accident and unemployment and maternity insurance, medical and nursing benefits, and educational services features. The "dividends" actually returned to the members are in the form of dockets which may be exchanged for goods at the cooperative store, rather than in the form of cash.[7]

(4) It has made a feature of the beautiful *Maison du Peuple* (House of the People) in each city and village, as a headquarters for cooperative, trade union and socialist purposes, for dramatic performances, lectures, library purposes, recreation, etc. The *Maison du Peuple* in Brussels and the *Voorhuit* in Ghent are famous throughout Europe as centers of the labor movement, trade union, political and cooperative. In 1925 the Belgian Wholesale did a business of nearly $7,000,000.

[7] The workman . . . willingly allows himself to be drawn into a net-work of schemes of insurance, providence and mutual aids which surrounds him completely from his birth to his death, and follows him into all the actions of his domestic, working, and political life. He is taught how to vote properly and not to drink alcohol. It is in order to keep in daily touch with him and to be able to control his actions more minutely that all Belgian cooperative societies make the selling of bread the basis of their operations." Gide, *op. cit.*, pp. 39-40.

Germany.—Far nearer in its development to the British movement is the modern cooperative movement in Germany. The German movement started as a middle-class institution. Its first form was the cooperative bank or credit union, organized about the year 1850. For nearly fifty years consumers' cooperation was frowned down upon by the socialist movement in Germany largely on the ground that the only way of bettering the condition of the worker was in raising his income at the point of production and that "any reduction in the cost of living brings with it an equal reduction in the rate of wages."

This position was finally dropped by the socialists, and the cooperative societies now have the ardent support of the social democrats. The first distributive society was organized at Neustadt in 1864. In 1894 a cooperative wholesale was formed and in 1903, a German Cooperative Union. By 1925 the number of societies in the Central Union of German Distributive Societies had reached 1,110 and the number of members, 3,382,011. Over 37,000 were employed by these cooperatives, and the turnover aggregated over 600,000,000 marks. The individual members and the families represented in the cooperative societies now constitute about one-third of the population. In addition to the distributive societies there are about 20,000 cooperative banking societies, over 3000 societies of agricultural workers and over 2000 home-building societies. The factories of the cooperatives are perhaps the best, most beautiful and most efficiently operated in the whole cooperative world. These include soap, clothing, furniture, match, brush, tobacco, candy, textile, chocolate and numerous other factories connected with the wholesale, furniture, and machine shops, warehouses, a fish packing industry, etc. The central office of the Union in Hamburg runs one of the largest and most perfectly equipped printing establishments in Germany. The wholesale, acting as the banking department of the union, puts aside capital for reserve, and for benevolent, pension and insurance funds. "A spirit of industry and fellowship is apparent throughout the entire Union and Wholesale. The scientific efficiency which has become char-

acteristic of the German people is being applied in the cooperative movement to a greater degree than in any other country in the world. German cooperation is making use of every sort of technical expert. The high class of talent for organization and genius for administration, which in the United States finds its way into capitalistic business, in Germany is found more and more in the cooperative movement."[8]

Cooperation in Russia.—The Russian cooperatives are the most extensive of any in the world. Before the war they were weak and were discriminated against by the government at every turn. With the growth of the revolutionary movement, the cooperatives grew, and, during the period of the Kerensky regime in 1917, became a powerful factor in the industrial life of the country. When the bolsheviks came into power, the cooperatives were the chief instruments of production and distribution. In the decree of April, 1918, the bolsheviks ordered every consumer to become a member of a local consumers' cooperative. In 1920 the cooperative movement was virtually nationalized and ceased to be of a voluntary character, but was later made again an autonomous movement. In the period 1924–1925, over 25,000 societies were reported in Russia, with a total membership of 9,275,000, and a total business of 3,788,000,000 rubles. Of these societies, 1,504 were urban and industrial, with a membership of 3,763,000 and a turnover of 1,169,800,000 rubles; 22,864 rural, with a membership of 4,889,000 and a business of nearly 900,000,000 rubles; and there were other cooperatives among the transport workers and other groups.

Denmark.—Denmark, one of the smallest countries in in Europe, leads the world in the percentage of cooperators in the population.[9] Here agricultural cooperation—agricultural sales and purchasing societies, dairies, bacon factories, slaughteries, etc.—has made greater headway than distributive cooperation, and agricultural products are transported from the farm to the foreign markets under the supervision of cooperative societies in practically every

[8] Warbasse, *op. cit.*, p. 402. [9] *Ibid.*, p. 409.

stage of their progress. The movement began in 1880, and from the farm gradually extended to the city. The Danish Cooperative Wholesale Society was founded in 1896, and its 1800 affiliated societies have a membership of some 350,000. Its productive enterprises deal in shoes, clothing, underwear, bicycles, rope, tobacco, soap, etc. The financial background of the movement is the Danish Cooperative Bank, which is constituted of cooperative societies of all types: savings banks, credit unions and individual members. Nearly 100 cooperative banks belong to it. There are also numerous insurance companies, sanitaria and housing enterprises fostered by the cooperative movement. In fact most of the needs of the people are met through some form of cooperation.

Austria.—In Austria the cooperative societies have a membership of 2,000,000 out of a population of 6,000,000. The Vienna cooperative society has a membership of 150,000 and controls some 150 stores. It rents houses, conducts carpenter shops, laundries, bakeries, dairies, etc.[10]

France.—In France an incipient cooperative movement existed as far back as 1835. A number of producers' cooperatives were formed on the revolutionary wave that swept the country in 1848. The modern movement may be said to have begun at Nimes in 1885. Professor Charles Gide soon joined the movement and has proved a tower of strength to it. For some time there was considerable antagonism between the socialists and the cooperators, but, finally, in 1912, the two groups were brought into harmony, and a united French movement was established. Since that date there has been steady progress.

There are now some 4,000 cooperative distributive societies in France with a total membership of 1,500,000. In 1920, their turnover was 1,500,000,000 francs. About one-half of the societies belong to the national federation, while 1,600 of the 4,000 societies are members of the cooperative wholesale. In 1921, the wholesale ran thirteen grocery warehouses, five wine warehouses, three shoe factories, one chocolate factory, etc., and employed 1,500 persons. One

[10] *Ibid.*, p. 403.

of the most significant developments since the war was the amalgamation, in 1920, of the two large cooperative federations in Paris, which now contains some 300 establishments.

Italy.—While the first important distributive store in Italy was formed in 1850, Rochdale cooperatives were not developed there until thirty years later.

Prior to the Fascist regime, the Cooperative League of Italy, established in 1886, contained a membership of about 4,000 societies, with a membership of 1,000,000. Besides consumers' societies, this organization contained about an equal number of artisan copartnership and agricultural producers' societies. Consumers' society led in number of members, agricultural societies in volume of trade and artisan unions in the number of societies. The artisan producers' groups specialized in the construction of roads, buildings, canals, railroads, etc. The Italian Cooperative Federation, with about 3,000 distributive societies, is the Catholic or "white" cooperative movement. There are also a number of fascist societies. Since 1921, many of the Italian cooperatives have been destroyed by the fascisti forces. Stores have been burned, plundered, and wrecked, and many cooperators have been assaulted and killed.

In practically every other country of Europe, despite much bitter opposition and innumerable obstacles during the war and post-war days, the movement has gained headway and become a power in the economic and educational life of the people.

The International Alliance.—In 1892 an International Cooperative Alliance was organized to promote friendly relations between the movements in the different countries, collect cooperative statistics, promote the study of cooperation and encourage trading relations between the cooperative organizations of all countries.

The development of this alliance from 1913 to 1926 is significant.

	1913	*1926*
Countries (in Alliance)	23	34
Unions (Regional and National)	55	85
Societies	3,871	85,000
Individuals	20,000,000	50,000,000

In Other Countries

In Asia.—Several countries in Asia have flourishing movements. In India there are some 60,000 societies primarily for the supply of credit to agricultural workers. Second in importance to the credit banks are the agricultural marketing societies.

At the end of 1925 there were nearly 15,000 societies in Japan, of which over 6,000 were credit societies. The previous year some 3,300,000 members were reported. The cooperators in this country are mainly tenants and farmers who are small property owners. The wholesale business amounts to between $8,000,000 and $10,000,000. In 1925 a cooperative college was established by the Cooperative Union.

The cooperative movement in China did not get under way until 1920. Since then more than two score of cooperative banks have been organized under the auspices of the Commission on Economic Information. A few distributive and marketing cooperatives have also been organized. In Ceylon the government has given assistance to the movement, particularly in an educational way. Of late the movement has shown quite remarkable growth. A strong movement both in consumers' and producers' cooperation exists among the Jewish population of Palestine and a number of credit cooperatives in the Federated Malay States. In Australia and New Zealand there are many well-developed agricultural cooperative societies and distributive societies are being developed in connection therewith.

The United States.—The cooperative movement has not made headway in the United States as it has in Europe. Several conditions have retarded its growth in this country. Among these may be cited the individualistic psychology of the people; the high standard of living as compared with the rest of the world; the flux of the population from one economic group to another; the heterogeneity of races and the consequent difficulties in social organization; the competition of the mail order, department and chain stores, with their millions of dollars capital; the allurements of

expensive advertisements and of high pressure salesmanship of the private stores; the fascination of the "bargain hunt" among the American housewives; the results thus far achieved through trade union action aiming at an increase in wages; the discouraging effect of the multitude of fraudulent and spurious cooperative enterprises that have appeared during the last generation, and the "rootlessness" and restlessness of the workers who do not stay in one place long enough to participate actively in local organization.

Despite these obstacles, some successes in cooperation may be noted. In 1925 some 284 cooperative credit unions were in existence in the United States. Of this number 176 reported a membership of 107,000, a paid-in capital of $10,000,000 and loans of $20,000,000 to 52,000 borrowers. Some 2,000 distributive stores were reported, more than half of them among the farming population.

Of recent years an effort has been made to organize the societies into regional leagues. In the Northern States' League, comprising many cooperatives in Michigan, Wisconsin and Minnesota, the largest single society is the Franklin Cooperative Creamery Association of Minnesota, with annual sales approximating $3,750,000, and nearly 450 employes. This association substitutes for the customary cash rebate or dividend a nutrition clinic where medical and nursing services are provided free for the children of members or customers of the company. In this district there is a Cooperative Central Exchange, which federates and sells merchandise to 85 cooperative stores and 30 buying clubs. Sales of this exchange for 1926 exceeded $1,000,000. Half of the members of the Exchange are farmers, and nine-tenths of Finnish descent. The Cloquet Cooperative Society with a membership of 1,000 and an annual business of a half a million dollars, is the largest store in the Northern States' League. The League conducts a full-time cooperative Training School and is organizing a new wholesale society.

There are also leagues in the central and eastern states. The Consumers' Cooperative Services of New York, operating five restaurants, a bakery, five circulating libraries, and

a credit union, is the largest member of the Eastern States' League. The Finnish Cooperative Trading Association of Brooklyn, with a business in 1926 of nearly $400,000, is another important member.

There are now about 12,000 cooperative marketing associations in the United States and their number is increasing rapidly. Cooperative housing has received a new impetus during the past few years.

The Cooperative League of America, with headquarters at 167 West 12th Street, New York City, is a clearing house of information for the cooperative movement, and has, directly or indirectly, affiliated with it 176 societies with an annual business of $15,000,000 and an individual membership of approximately 100,000.

Cooperative movements exist in Canada, Argentina and a number of other countries in North and South America as well as in South Africa.

Types of Cooperation

The distributive retail store, which we have described, is the "natural and prevalent expression of the cooperative consumers' society."[11] Other types of cooperation are banking, insurance, housing, agricultural.

Banking.—Victor Aimé Huber (1800–1869), was the pioneer who furnished the inspiration for the cooperative credit movement. Herman Schulze-Delitzsch, a judge, of Prussian Saxony and Frederick W. H. Raiffeisen, a Prussian Burgomeister, formulated the method for the operation of this phase of cooperation that has since found success. In 1850 he established the first credit association.

The cooperative bank, the people's bank, or the credit union following the general principles laid down by him is now found in every part of the world. A person desiring to join a credit union purchases a number of withdrawal shares. As a general proposition, a fixed rate of interest is paid on stock. The net surplus-savings are returned to depositors. The rate of interest to borrowers is reduced as the surplus-savings increase and depositors and borrowers

[11] Gide, *op. cit.*, p. 440.

are usually required to be members. The control and management of the bank is democratic and in the hands of the members. Interest is paid on deposits, but at a lower rate than that charged for loans. The balance is transferred to reserves. In the Raiffeisen type of credit society, each member has one vote. The societies loan money on character endorsement. Schulze urged that money should be loaned primarily to farmers and artisans. "Do not forget," he told the borrowers, "that your object should be to borrow to produce; that is, to give a plus value to the money you have borrowed so that you may be able to pay it back with interest and some profit." [12]

There has, however, been a considerable change in the idea of the unions since those days.

In Germany there are some 20,000 credit societies which do an annual business amounting to billions and they exist in most other advanced countries. The total number in the world a few years ago was estimated at 80,000 with a membership of 65,000,000 and an annual business of $12,000,000,000.[13]

In many countries, the Wholesale Cooperative societies have carried on an extensive banking business, with the retail stores acting as branch banks. Members of the local societies whose share capital or local loan account has reached its legal limit of 200 pounds, may deposit their surplus with the wholesale society.

Insurance.—Allied with the banking cooperatives is that of insurance. We have already referred to the Insurance Department of the English Wholesale Cooperative Society. Cooperative insurance is found extensively also on the continent. In the United States cooperative insurance exists chiefly among the farmers. There are 2,000 cooperative fire-insurance companies in which over $5,000,000,000 worth of insurance is held. Hail insurance is also provided. There are also numerous cooperative life insurance companies and fraternal societies among the workers.

Professor Gide draws a distinction between *mutual* and *cooperative* insurance. "The first is formed without capi-

[12] See Warbasse, *op. cit.*, p. 451. [13] *Ibid.*, p. 457.

tal, makes no profits, receives nothing but contributions, and can only indemnify risks up to the limit of these contributions. The second is formed with a social capital, makes profits, and undertakes to pay stipulated indemnities in full. The cooperative insurance company bears much more resemblance to an ordinary insurance company with *fixed premiums*, with the essential difference that the profits, instead of being distributed among the shareholders in proportion to their shares are divided among the insured cooperators, in proportion to the premiums paid by them."[14] The admirable insurance plan of the Jewish Workmen's Circle in America is on the mutual benefit model. The United States does not possess any cooperative insurance against sickness, accident, or death organized on the Rochdale plan.

Housing.—Of very considerable importance also have been cooperative housing societies. In cooperative housing, the society usually owns the land and houses, while the members occupy them. Each member puts into the society a certain amount of money or share capital, which, with loans secured from a loaning institution, provides the funds needed for the purchase of land and the erection of houses.

Following the construction of the houses, a board of directors and an executive committee supervise their administration. The members pay a so-called rent at the current rates or less to the society. After the expenses for the upkeep of the houses are paid, a part of the surplus is put aside in the amortization fund, and another is reserved for expansion. The balance is returned to the members in proportion to their payments, or is used for various social purposes, such as the maintenance of playgrounds, the creation of a garden, the building of a social hall, etc. Societies with a large membership maintain their own architectural department, painting establishments, etc.

Many building societies are connected with cooperative stores which use part of their surplus for the construction of buildings.

When a cooperative enterprise sells the house outright to

[14] Gide, *op. cit.*, p. 150.

the member—instead of renting it to him for an indefinite period so long as he occupies it—the cooperative feature soon disappears.

Among the most interesting housing developments have been the charming cooperative garden cities in England, Germany, Denmark, Switzerland and other countries.[15]

Agricultural Cooperatives.—A further type of cooperative enterprises is the agricultural cooperative. Agricultural cooperatives are in part consumers' cooperative societies, and, in part, producers' societies. Farmers throughout the world are cooperating today for the purpose of purchasing agricultural implements, fertilizers, and the like. They also organize distributive cooperative stores from which they purchase many of the necessities of life. These forms of cooperative enterprises come under the general category of consumers' cooperation.

The largest cooperative enterprises among the farmers, however, are those for the marketing of their products, and are included among the producers' cooperatives. Under this form of cooperation, the farmer becomes his own shipper and commission merchant and the manufacturer—in dairies, creameries and cheese factories—of his own raw materials. The cooperative fruit growers associations of the far west in America, producers' cooperatives, which take full charge of the marketing of their product, are among the most successful agricultural cooperatives in this country. There is not a great difference, however, between many of these farmers' cooperatives and the ordinary private corporation. The movement, however, eliminates many evils ordinarily connected with the marketing of products by middle-men.

Relation to Other Movements

Consumers' Cooperation vs. Private Capitalism.—Consumers' cooperatives, as has been before indicated, differ in a number of respects from privat corporations. (1) The private corporation is organized primarily for

[15] See Warbasse, *op. cit.*, p. 447.

profit to the investing stockholders and to its promoters. The consumers' cooperative is formed to render service at cost to the purchasing consumer-members. The surplus in a private corporation is paid to the stockholders. The surplus in the consumers' cooperative is returned to the consumers in proportion to their purchases. A fixed rate of interest—the minimum for which capital can be obtained—is paid to owners of capital. The rule that the profits belong to the consumer-purchaser, declares Professor Gide, is "a new and wholly revolutionary principle in our economic organization. . . . It amounts, in fact, to a decision that all of the profit which capital has regarded as its legitimate share should be restored to those from whom it was taken, and that share capital should be reduced to the position of debenture stock, with a rate of interest fixed at the minimum at which its services can be hired; that is to say, that it shall be treated exactly as capital itself has treated labor. . . .

"The transfer of profits from the capitalist to the consumer is actually the abolition of profits, because to say that profits shall be returned to those from whom they were taken is obviously abolishing them." [16]

(3) The private corporation gives a stockholder as many votes as he has stock. The cooperative society gives to its members one vote, and one vote only, thus introducing an industrial democracy of consumers into industry.

(4) No worker in the industry secures from it a profit. The reward for labor is a wage or a salary, promotion to a more responsible position, social prestige, joy in creative endeavor, and the feeling of comradeship in a great cause.

On the other hand, the consumers' cooperative societies, like private companies, fail to include all of the community in their scope, leaving out many who most need their aid. They have not as yet provided for adequate representation of their employes in the management of industry, and frequently their members are motivated by little higher aims than that of securing a "dividend" at the end of the quarter.

[16] Gide, *op. cit.*, p. 79.

Cooperation and Socialism.—Voluntary consumers' cooperatives and publicly owned industries are the only forms of socialized ownership that have been extensively applied in practice up to the present time and both forms of ownership are intermediate forms between private capitalism and socialism of great significance to the socialist movement.

While many socialists in the beginning of the cooperative movement—especially in Germany—regarded the cooperative store as of little value to labor, during the last generation, the vast majority of socialists have looked upon it as an integral and important part of the movement toward a socialized society and as a valuable experimental school in industrial democracy.

They regret the defects of the movement—the fact that too many of the cooperators do not look beyond the dividend they receive, and that a proper machinery has not been worked out for adequate representation of employe groups. This, however, does not prevent them from seeing the positive values of the movement.

They also are coming increasingly to the belief that the field for voluntary cooperation will be a large one in a socialist society.

This does not mean that they agree with such consumerists as Dr. James P. Warbasse, President of the Cooperative League of America[17] and Leonard S. Woolf, the British Economist,[18] that voluntary cooperation will completely supplant both private ownership and state and municipal ownership. With the Webbs, socialists maintain that, while there is a very distinct field for the voluntary cooperative movement both now and under a socialistic regime, the voluntary cooperative movement has certain definite limits. Beyond these limits cooperative industry should give place to industry conducted by such "compulsory" organizations as the city and state.

"There seems no reason in the nature of things," declare the Webbs, "why the various forms of consumers' cooperation should not, in due course, eventually provide for the

[17] Warbasse, *op. cit.*, p. 140.
[18] Woolf, L. S., *Cooperation and the Future of Industry.*

whole body of inhabitants, all the household requisites and objects of common expenditure not supplied by the national or municipal industries or services.'' The movement, as industry becomes increasingly socialized, will probably find a legitimate field of activity also in international trading, in agriculture, in certain educational experiments, in the publication of periodicals, etc.

Place for ''Compulsory'' Consumers' Organizations.—On the other hand, there are many services which can be performed more efficiently by a ''compulsory organization'' such as the municipality or federal government than by a voluntary cooperative group. ''Experience has shown that voluntary associations of consumers cannot conveniently be made the basis of the government of industries and services in which use or consumption is essentially compulsory, or which involve risk or inconvenience not merely to the members, but to all citizens, as with the water supply or the paving, lighting or drainage of a city. A like consideration applies to those branches of the administration in which it is found advantageous for the services to be supplied gratuitously on a communist basis, such as the public schools, libraries, museums, parks and many other municipal enterprises. Moreover, there are some services in which the actual users or consumers form, owing to their wide dispersion or casual nature, an unfit unit of democratic government. The effective 'consumers' of the service of communication and transport are not restricted to those who actually send the letters and telegrams, or who travel and consign goods and parcels by railway, and there seems to be no possible form of democracy of consumers—as distinct from a democracy of citizens—to which we would entrust the supervision and control of the post office and the nationalized means of conveyance. There are plainly services of national importance in which, if we are to achieve the economy and efficiency of coordination, and anything like equality in the distribution of costs and benefits, administration has not only to be centralized, but also placed under the control of representatives of the community as a whole. . . . We cannot seriously anticipate that such industries as those already

conducted by the Postmaster General; or of those of the railway and canal service; or, as we think, that of coal mining, will ever be wrested from the control of private capitalism, except for the purpose of being controlled and conducted by and for the whole community."[19]

The Webbs contend that many of the municipal services such as street paving, cleaning and lighting were at first started by volunteer groups and were eventually taken over by the community because the control by these groups proved unsatisfactory. That the importance of public services cannot be ignored is indicated by the fact, they declare, that "in Great Britain alone, the commodities and services . . . provided by the local authorities considerably exceed in annual cost of production, and, therefore, as we must assume, in value to the inhabitants, the whole of what is provided by the cooperative movement; the number of persons employed in this work is apparently at least five times that of all the cooperative employes; and, owing to the different nature of the enterprises, they involve the administration of capital to a value, probably, not less than fifteen times as great as that of the cooperators." And as for national property, they add, "confining ourselves to Great Britain, we may point out that the Postmaster General is the most extensive banker and the principal agent for internal remittances, as well as the conductor of the most gigantic monopoly in the conveyance of letters and messages. The Minister of Health provides insurance for a far greater number of families than even the largest of the insurance companies; and is, in effect, the organizer and paymaster of the largest staff of medical practitioners in the world. The largest shipbuilder in the kingdom, although we often forget it, is the First Lord of the Admiralty, whilst the Controller of the Stationary Office is the most extensive of publishers, who is now beginning to be, not only his own bookseller, but also his own printer."[20]

These authors stated that in 1914 the property held by municipal and federal governments throughout the world

[19] Webb, *op. cit.*, p. 425-6.

[20] *Ibid.*, pp. 432, 439-40.

was probably a hundred times as great as that held by the consumers' cooperative movement.

Leonard Woolf contends that public utilities could be satisfactorily controlled by the consumers' movement if, by some device, the citizens might be "universally" enrolled in local societies for the purpose of assisting in the administration of these services. In reply to this contention the Webbs, however, maintain that universal enrollment means to all intents and purposes *compulsory* enrollment and that such enrollment does away with the voluntary nature of the cooperative movement, the only thing which distinguishes it from public ownership.

Guild Socialists and Cooperators.—The guild socialists also would have the consumers cooperative societies continue to exist under a guild society. Mr. Cole advocates the expropriation of the private trading establishments and the great department stores by the state and their transfer to the control of the cooperative movement. He would also have a number of factories not ready for nationalization—flour-milling, baking, biscuit making, etc.—transferred to cooperative control. However, after thus enlarging the consumer's cooperative movement, he would give to the workers in these establishments the real power of control and would, on the other hand, render the committees elected by the consumer purchasers merely advisory and critical bodies with no power to interfere with the decisions of the producers. When the local consumers' committee failed to convince the local guild committee of the wisdom of its suggestion, an appeal would be taken to a higher committee which Mr. Cole calls the Commune, a committee made up of representatives of various bodies, including the cooperative council. If the question was not settled there, the matter would be taken to regional and national communes.

"What assurance," declares Webb, "there would be that any representatives of the consumers' cooperative committees would, after all the indirect elections, be chosen to sit on this national commune, we are unable to discover. The local consumer of boots or tea could not, we fear, rely on much sympathy from such a national body. In practice

of course, no appeal would be possible in the thousand and one administrative issues at present decided by the committee of management representing the consumers. The administrative day-to-day decision of the employes' committees, managing each store or productive department, would, in practice, be final.[21] The difficulties in this plan would be similar to those found in the management of other producers' societies.

Syndicalists, Communists and Cooperators.—The syndicalists have always ignored the consumers' cooperative movement, and, as has been pointed out, have proposed to vest the entire organization and administration of each industry in the workers of that industry or service, enrolled in a federation of branches of a "glorified trade union."

When the communists first secured power in Russia, they sought to nationalize the cocperative movement. Later, however, as has been pointed out, they freed it from the control of the state and now regard it as a valuable supplement to state-owned industries and as one of the best methods of carrying on industry during the transitional period in a large variety of enterprises.

The Place of the Employe in Cooperative Stores.—One of the chief criticisms against consumers' cooperation is that, while the movement is thoroughly democratic as far as the consumer is concerned, it differs in no important respect from capitalist industry in its relation to the employe of the store and factory.

This criticism was at first raised by the advocates of the "self-governing workshop," a workshop whose ideal was to have each worker own a share in the shop and have a voice in the selection of management and the control of policies. These advocates contended that a cooperative society was worth but little unless complete control resided in the hands of the producer. The advocates of consumers' cooperation, however, for awhile silenced these critics by pointing to the uniform failure of this form of cooperative effort. While the experiments along these lines have been made in thousands of instances, extending over nearly a century, "in

[21] Webb, *op. cit.*, p. 456.

almost every occupation, in various countries, often under apparently most promising conditions, . . . the most enthusiastic believer in this form of democracy would be hard put to it to find," as the Webbs point out, "in all the range of industry and commerce, a single lasting success." "In the relatively few cases in which such enterprises have not eventually succumbed as business concerns," these authors continue, "they have ceased to be democracies of producers, themselves managing their own work; and have become, in effect, associations of capitalists on a small scale—some of them continuing also to work at their trade—making profit for themselves by the employment at wages of workers outside their association." [22]

The reasons for this failure are not far to seek. As these shops produced not for their own use, but for exchange, their members were continually tempted to charge all that the traffice would bear; to exclude new members from the privileges that the founders had acquired; to maintain existing processes unchanged and discourage innovations. Furthermore, the relationship set up in the self-governing workshop "between a foreman or manager, who has, throughout the working day, to be giving orders to his staff, and the members of that staff who, assembled in the evening as a general meeting or a committee, criticise his action or give him direction, with the power of discharging him if he fails to conform to their desires, has always been found to be an impossible one." [23]

The advocates of consumers' cooperation, on the other hand, were able to point out that the simple devices which they adopted under the Rochdale plan of control by the consumer, one vote per man, and savings-returns on purchases, led naturally to a continuous growth of membership, and that the greater the number of buyers in a cooperative store, the greater were the economies effected. While, therefore, in a "self-governing workshop," it was to the economic interest of the founders to exclude new comers from full membership, in the consumers cooperative, it was to their advantage to attract an ever larger circle.

[22] *Ibid.*, p. 463-4. [23] *Ibid.*, p. 468.

Trade Unions and the Cooperative Movement.—Other critics of the consumers' movement agitated more than a generation for the granting of bonuses to the cooperative employes. Scottish stores adopted this system with little appreciable effect on the labor situation, however, and the trade unions frowned on the bonus system as a method of supplementing wages.

For some years the question of the rights of the workers remained in abeyance; many of the officers of the cooperative movement indeed saw no labor problem. They took the position that if the employe of a cooperative factory, for instance, "is a member of the ever-open cooperative community, he already is in full partnership, and if he is not a member, then of his own choice he is outside the cooperative body and has no special claim upon it." [24]

When the trade unions appeared among the membership many even frowned upon their entrance and were greatly shocked at the threat of strike to enforce certain demands. But mere membership in a cooperative society seemed to the worker "illusory as a method of protection against sweating or personal oppression"; [25] and as a result of the demands made by employes, a committee from the cooperative movement and from the trade unions was finally appointed to serve as arbitrators in case of threatened disputes. This joint committee in 1899 and 1908 reported a recommendation at both cooperative and trade union congresses (which recommendations were unanimously accepted) that cooperative enterprises should observe recognized trade union regulations regarding hours and wages, and that complaints should be submitted to the arbitration of the joint committee before either a strike or a lockout took place.

In 1891 a new factor was injected into the situation with the organization of the Amalgamated Union of Cooperative Employees. In 1921 the Union embraced no less than 90,000 of the nearly 200,000 employes, and many of the non-members had joined craft unions. The union in 1911

[24] Redfern, Percy, *The Story of the Cooperative Wholesale Society*, 1863–1913, p. 81.

[25] Webb, *op. cit.*, p. 188.

adopted a militant policy of carrying on strikes against those cooperative stores which failed to pay a minimum scale approved by the cooperative Congress or which acted in a too arbitrary fashion. "There seems to exist a popular understanding," declared a trade union official at that time, "that a shopkeeper is a public convenience, has none of the rights, and little of the dignity of labor." [26]

The union demanded a standard of living equal to that enjoyed by the higher ranks of labor, together with some participation in the function of management. The original program of the cooperation, they recalled, included "self-employment" and "self-determination." "Cooperative employes," they insisted, "have distinct interests in the movement in which they are employed—in citizenship rights and in joint control of their conditions, which are denied to those working under capitalist employers." [27]

These demands for joint control have not been granted, but there has gradually developed a machinery for the settlement of trade disputes, which includes Hour and Wages Boards, Conciliation Committees, the Labor Department of the Cooperative Union, and the Industrial Court set up by the government for the adjustment of industrial disputes. While these agencies are more satisfactory than in the past, they have not been placed on so sound a basis as in the German cooperatives.

The whole question has of late been complicated by the controversies between the cooperative employes union and various crafts organizations. According to the Webbs, however, "the old controversy within the union as to the proper basis of cooperative organization has been definitely closed, and the cooperative Congress would be almost unanimous in declaring that the ownership, the ultimate decisions as to policy, and the management of the business as a whole must be, and remain vested in, the consumers and their representatives." [28]

[26] Hallsworth, Joseph and Davies, Rhys J., *The Working Life of Shop Assistants*, 1910, p. 77.
[27] Hallsworth, Joseph, *Union by Industry*, 1915, p. 16.
[28] Webbs, *op. cit.*, p. 228.

The movement is also grappling with other problems—the "disease of overlapping," problems of efficient audit, bureaucratic control, a certain apathy, indifference and "dividend" hunting on the part of many of their members, and is gradually solving a number of these problems.

Summary.—Despite its defects, the voluntary consumers' movement, starting in the forties of the last century in England, and spreading to practically every advanced country in the world, has been a power in the development of the economic, intellectual and ethical life of the working class, and promises a future of even greater achievements.

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CHAPTER XXXI

MISCELLANEOUS SOCIALISMS

Other Schools of Thought.—While the chief divisions in socialist thoughts appearing during the nineteenth and twentieth century have been set forth in previous chapters, the student of socialism will from time to time be confronted with other schools of thought not already described, schools which, at certain periods, have exerted a considerable influence on the social life of their day. Among these are the Christian socialists, the socialists of the chair or academic socialists, and the state socialists.

Christian Socialism

Varying Schools of Christian Socialists.—During the last century numerous individuals and groups within and without the Christian Church, animated with a passion for social change, have assumed the name of Christian socialists. Some of these groups have been both ardent Christians and ardent socialists; others have been Christian but only mildly socialistic; while still others—particularly among certain groups of Germany and Austria—have been primarily anti-Semitic in their aims, rather than Christian or socialist.

De Lamennais.—Among the earliest of the church reformers who have gone by the designation of Christian socialist was De Lamennais, born in 1782. De Lamennais was for a time a French Catholic priest and an ardent defender of the faith. He aimed to bring about an alliance between the church and the masses in opposition to kings, whom he looked upon as oppressors of the people. The church was to become the soul of the economic, as well as of the religious world. And as a step in that direction,

De Lamennais urged the formation by the church of a grand cooperative association of laborers, which should free them from the yoke of the capitalist and the tyranny of the landlord.[1]

He was received with open arms on the presentation of his views to Pope Leo XII. Later, however, he issued a paper, *L'Avenir,* on which was emblazoned the motto, "separate yourselves from the king, extend your hand to the people," and urged that Gregory XVI, Pope Leo's successor, support him in this anti-monarchical propaganda, but was unable to win over the hierarchy to his point of view. He thereupon resigned from the church in despair. Catholicism, he declared, had been his very life and he had tried to draw it from the abyss, but its bishops "would bargain away the nations, the whole human race, even the blessed Trinity, for a piece of land, for a few piasters."[2] He therefore could no longer remain in it.

He wrote in 1833 *The Words of a Believer,* describing therein, with poetry and beauty, the wrongs inflicted upon the laborer by rulers and capitalists and describing the condition of wage earners as in some respects worse than that of chattel slaves.

The Christian Socialists of England.—Of far more significance, however, than the agitation of De Lamennais was the Christian socialist agitation of the middle of the last century in Great Britain, under the leadership of Frederick Denison Maurice and Charles Kingsley.[3]

Maurice and Kingsley.—Frederick Denison Maurice, the most brilliant of the group, was born in 1805, the son of a Unitarian minister. From his youth he took an active interest in the philanthropic enterprises of his father and acquired an intimate knowledge of the destitution around him.

As a young man he joined a debating club which grew out of an Owenite society, where the subject of coopera-

[1] Ely, *French and German Socialism,* p. 245.

[2] Quoted in *Lamennais and Kingsley, Contemporary Review,* April, 1882.

[3] See Seligman, E. R. A., *Owen and the Christian Socialists.* Reprinted from the *Political Science Quarterly,* Vol. I, No. 2, 1886.

tion was frequently discussed. He became a member of the faculty at King's College, and soon gained a reputation as a scholar, theologian and historian.[4] His studies of medieval philosophy left a deep impression on his mind and predisposed him to look favorably on the socialist propagandists of the Chartist period. Indeed, in his economic philosophy he followed the Owenite school. However, he differed widely from the political Chartists, for he opposed their democratic philosophy and condemned the doctrine of the sovereignty of the people as atheistic and subversive. A visit to him by John M. Ludlow, while he was teaching in King's College, for the purpose of inducing him to aid in wiping out the terrible conditions prevailing in the neighborhood of the Inns of Court, marked a turning point in his life.

The other great leader of the movement was Charles Kingsley, a young minister of Eversley, 14 years Maurice's junior. Kingsley was a revolutionist in his economic convictions, but, with Maurice, a conservative politically. The two men were radically different in temperament. "Maurice was mild, unobtrusive, averse to undue opposition, convincing by his example and his earnest logic rather than by appeals to the feelings. Kingsley was ardent, aggressive and enthusiastic, touching the heart rather than the head. Maurice had a deep, measured style; Kingsley wrote as he spoke, with sentences fervid, passionate, clear cut. Both were men of transcendent ability, but Maurice was incomparably the superior in thoroughness of conviction, in repose of intellect, in talent for leadership."[5]

[4] Maurice was ordained as a minister in 1834, but was drawn into the religious controversies of the day and soon broke with the Oxford school. After editing the *Educational Magazine* for a short period, he became Professor of Theology at King's College and Chaplain of Lincoln's Inn (1845). Following his Christian socialist activities, he published his great work, *Moral and Metaphysical Religion.* He died in 1872.

[5] Seligman, E. R. A., in *Political Science Quarterly,* Vol. 1, No. 2, p. 219. Kingsley was the son of a country gentleman whose mismanaged fortune led him to the Church. The tragic sight of riots and bloodshed during a strike, while he was a boy in school, he declared, made him a radical. He went to Cambridge, and later entered the ministry, where his brilliant preaching and robust personality made him exceedingly popular.

They held, however, the same views regarding the function of religion. The world, they claimed, was the manifestation of God's order, but the selfishness of man had induced a deviation from the original principles.[6]

The Belief of Early Christian Socialists.—All that is good in the modern world, they believed, has come from the principles of self-sacrifice and fraternal cooperation as taught in Christian ethics. The reintroduction of a universal, practical Christianity in the best sense would check the downward tendency of the times and reintroduce peace and harmony. "Vehemently opposing Calvinism and asceticism as removing mankind from a sense of its obligations in this world, asserting the moral impotence of the view that makes the hope of heaven or the fear of hell the sole determinants of human conduct, objecting equally to the Oxford Tractarianism, which they termed an aristocratic movement in the most carnal sense, 'a system for saving the souls of fine ladies and gentlemen in an easy and gentlemanlike way,'[7] they were reformers in the fullest sense of the word. . . . The Kingdom of Christ was to them no empty formula; they were thoroughly imbued with the belief that this kingdom, created through revelation, actually existed and was destined in time to subjugate all wickedness and misery. . . . The Christian socialists looked with consternation upon the growing cleft between rich and poor, upon the cynical indifference of the one class, and the brooding discontent of the other; they sternly took the clergy to task for their inactivity, for squandering time in doctrinal quibbles and neglecting the paramount issues of the day. They strongly protested against the notion of turning the Bible into a book for keeping the poor in order. The Bible they considered, on the contrary, the poor man's book, the voice of God against tyrants, idlers and humbugs. It demands for the poor as much and more than they demand for themselves; it expresses the deepest yearnings of the poor man's heart far more nobly, more daringly, more eloquently, than any modern orator has

[6] Maurice, *Life,* Vol. II, p. 44.
[7] Kingsley, *Letters and Memories of his Life,* II, p. 250.

done. 'Justice from God to those whom men oppress, glory from God to those whom men despise' is the thought which runs through the whole Bible. It is the poor man's comfort and the rich man's warning."[8]

"We are teaching," writes Maurice, "true socialism, true liberty, brotherhood and equality—not the carnal dead level equality of the communist, but the spiritual equality of the Church idea, which gives every man an equal chance of developing and rewards every man according to his work."[9]

Attack on Manchester School.—To them the Manchester school was an abomination. "Of all narrow, hypocritical, anarchic and atheistic schemers of the universe," they held, "the Cobden and Bright one is exactly the worst."[10]

"I expect nothing," declared Kingsley, "from the advocates of *laissez faire*—the pedants whose glory is in the shame of society, who arrogantly talk of economics as of a science so completely perfected, so universal and all important that common humanity and morality, reason and religion must be pooh-poohed down, if they seem to interfere with its infallible conclusions and yet revile, as absurd and utopian, the slightest attempt to apply those conclusions to any practical purpose. The man who tells us that we ought to investigate nature, simply to sit still patiently under her, and let her freeze, and ruin, and starve and stink us to death is a goose, whether he calls himself a chemist or a political economist."[11]

Maurice, Kingsley and their school could not be included among the modern socialists, if socialism is regarded as a set of doctrines, rather than a spirit of brotherhood. "But if by socialism," declares Professor Seligman, "we

[8] Seligman, *op. cit.*, p. 221; see *Politics for the People*, May 21, 1848. Letter to the Chartists, by Kingsley; also Maurice, Letter to Kingsley, April 22, 1848.

[9] See Kingsley, *Letters*, Vol. I, p. 248.

[10] *Letters of Kingsley;* see Hughes, *Prefatory Memoir to Alton Locke*, p. 51.

[11] *Thoughts on the Frimley Murder*, by Parson Lot. *The Christian Socialist*, Nov. 2, Nov. 16, 1850, Vol. I, pp. 3, 18; cf. Kingsley's criticism of the economists in *A Mad World, My Masters*, and in *New Miscellanies*, p. 6.

mean that principle which looks upon human beings as members of one family and subject to one law, which regards the workingmen as endowed with the same possibilities, and worthy of the same opportunities as others, which sets up the idea of combination and universal cooperation in opposition to the anarchy of distribution and the shortcomings of competition, which, in short, seeks to develop those characteristics that bind mankind together and render them more conscious of reciprocal duties—then, in this wider sense, they are indeed the truest socialists of the century." [12]

The Christian Socialists and the Chartists.—The movement which Maurice and Kingsley represented began in 1848, the year of the issuance of the *Communist Manifesto*, of the culmination of the Chartist movement, of the French revolution—a year marked, incidentally, by a severe economic crisis. In February the French revolution broke out in Paris. John M. Ludlow, lawyer, friend of Maurice, educated in Paris, returned to England with the impression that socialism had become a powerful factor in English life. He and Maurice felt that it must be Christianized, or it would shake Christianity to the foundation, as socialism appealed to the higher and not to the lower instincts in human life.[13]

On Ludlow's return the famous "five million" Chartist petition had been handed in, and the call issued for an immense mass meeting at Kennington Common for April 10. London was in a ferment, and had been placed under the military government of Wellington. Two hundred thousand special deputies had been sworn to protect the city against a possible outbreak, and trouble seemed imminent. Kingsley rushed down to London from Eversley in a state of intense excitement. At Maurice's house he met Ludlow, and together they walked to the Common where the rain and the energy of O'Connor prevented an outbreak. The three decided to send placards broadcast to

[12] Seligman, *op. cit.*, pp. 221-2.

[13] Correspondence with Ludlow; Maurice, *Life*, Vol. I, p. 458, et seq.

allay the minds of the discontented workers. Kingsley wrote all night and the next morning his appeal to the British workmen appeared on thousands of posters. He told the workmen that while many of them had been wronged, they had thousands of friends who loved them because they were brothers, and who would not neglect them. He declared that it would take more than the charter to make them free.

"When you cry for liberty. . . . Who would dare to refuse you freedom? But there will be no true freedom without virtue, no true science without religion, no true industry without the fear of God, and love of your fellow-citizens. Workers of England, be wise, and then you *must* be free, for you will be *fit* to be free."[14]

The placard was signed, "A Working Parson," and produced a great impression. The danger of serious violence passed, but Maurice decided, at the suggestion of Ludlow, to start a penny weekly, which might show the workers the way out of their difficulties. The result was the *Politics of the People* contributed to by a remarkable group of writers, including Maurice, Kingsley, Ludlow, Archdeacon Hare, Professor Connington, Sir Arthur Helps, Archbishop Whately and others noted in the literary world of the day. The columns also contained many communications from the rank and file of the Chartists.

The paper, however, had to be discontinued after 17 issues for lack of funds, although it had attained a circulation of 2,000 and had won many workers to its point of view.

A group of friends continued their meetings at Maurice's house all winter, started night schools for workingmen and girls and conducted weekly lectures. In 1849 Thomas Hughes, author of *Tom Brown's School Days,* joined the movement and became a tower of strength to it.

The Sweated Industries.—During these years, a system of "sweating" had developed in the clothing industry that was horrible to contemplate. The ultimate victims of this system were the men and women employed by "sweaters,"

[14] See Kingsley, *Letters,* Vol. I, p. 156.

who had contracted to find workers for clothing merchants. These victims were forced to live in the sweaters' houses. "They were literally stripped," Professor Seligman maintains, "of everything, until it was common for half a dozen men to have only one coat between them—the so-called 'relieve' permitting only one to go out at a time. But the condition of most was still more horrible. As they fell into arrears they were cooped up, six and ten at a time, in a miserable dark hole which served both as work and bed room, and in this fetid, reeking atmosphere, half-stifled and half-starved, thousands of these poor wretches endured a living death."[15] Kingsley's soul was stirred by this misery and he wrote his famous pamphlet, *Cheap Clothes and Nasty*,[16] one of the most powerful indictments of the system of sweating in all literature.

Here Kingsley describes Mammon as pretending to hate cruelty and shrieking benevolently when a drunken sailor is flogged, but trimming his paletot and adorning "his legs with the flesh of men and the skins of women, with degradation, pestilence, heathendom and despair"; and then chuckling "complacently over the smallness of his tailor's bills." "What is flogging or hanging" . . . he asks, "to slavery, starvation, waste of life, year-long imprisonment in dungeons narrower and fouler than those of the Inquisition which goes on among thousands of free, English clothes-makers at this day?"

Birth of Cooperative Workshops.—This essay and Maurice's article on labor conditions in *Fraser's Magazine* created intense excitement and many reforms were suggested. Ludlow, having observed the cooperative workshops in operation in Paris, urged the establishment of similar cooperatives in England. He convinced Maurice of the desirability of such a venture and the group decided to issue a number of pamphlets on the subject. It was at that time that the name Christian socialism was adopted. "That is the only name," they declared, "which will define

[15] Seligman, *op. cit.*, p. 229.

[16] Reprinted as No. 5 of tracts of Christian Socialists and in Eversley's edition of *Alton Locke*, 1881, pp. 76-109.

our object and will commit us at once to the conflict we must engage in sooner or later with the unsocial Christians and the un-Christian socialists." [17]

Maurice wrote the first tract, declaring that anyone who recognized the principles of cooperation as stronger and truer than those of competition, was justly called a socialist, and admitted that Owen, Fourier, Louis Blanc and others came within that definition. In later pamphlets he strove to disprove Owen's views regarding the all-inclusive influence of environment and endeavored to show that socialism and the church should work together. Many thousands of copies of these pamphlets were distributed.

The Christian socialists also rented a building in London and started a Working Tailors' Association, with 12 tailors, under the leadership of Walter Cooper, ex-Chartist. All monies loaned to this association were to be repaid in a fund to be used to start other cooperative workshops. Wages were apportioned according to work and talent, but profits were to be equally divided, provided that each did his utmost, the final decision on these questions to be in the hands of the workmen themselves. Other workmen applied for aid in developing cooperative shops and, in February, 1850, a Society for Promoting Workingmen Associations was organized. The promoters met weekly in Maurice's house. Before long some 17 cooperatives appeared in London. A central board of delegates from various societies was formed, and later a central cooperative agency was organized, a forerunner of the Cooperative Wholesale Society.

"Competition," wrote Maurice at this time, "is put forth as the law of the universe. That is a lie. . . . The time is come to declare that it is a lie, by word and deed. I see no way but by association for work instead of for strikes." "That self-interest is the law of human nature," wrote Kingsley, "I know well. That it ought to be the root-law of human society, I deny, unless society is to sink

[17] *Life of Maurice*, Vol. II, p. 34. The name had first been used in Owen's *New Moral World*, Nov. 7, 1840, in a letter signed, Joseph Squiers Coventry. There were, however, several societies of Christian cooperators in 1830.

down again into a Roman Empire and a cage of wild beasts." [18]

The society pursued its work with enthusiasm. Thomas Hughes was not alone at that time in believing that they had "nothing to do but just to announce it and found an association or two in order to convert all England and usher in the millennium at once, so plain did the whole thing seem." [19]

The success of the cooperative workshop idea was indeed at first remarkable. The members of the original society soon trebled in numbers. Interested friends were induced to give the society their custom and to get their friends to do likewise. The workers themselves were astonished at the interest of the upper classes. In the autumn of 1850, Cooper made two tours through the northern countries and Maurice, Hughes and others followed. The idea was eagerly adopted in many large cities.

Publication of Christian Socialist. The New Idea.—In the autumn of 1850, the group founded the *Christian Socialist,* a weekly, under the editorship of Ludlow, to propagate their point of view. In this unique journal, the motives of the founders were thus expressed:

"A new idea has gone abroad into the world that socialism, the latest-born of the forces now at work in modern society, and Christianity, the eldest-born of those forces, are in their nature not hostile, but akin to each other; or rather that the one is but the development, the outgrowth, the manifestation of the other." The idea has grown that socialism without Christianity, on the one hand, is lifeless as the feathers without the bird, however skillfully the stuffer may dress them up into an artificial semblance of life. That every socialist system that has maintained itself, has stood upon the moral grounds of righteous, self-sacrifice, mutual affection, and common brotherhood. . . . That Christianity, on the other hand, in the nineteenth century of ours, becomes in its turn chilly and helpless when stripped of its social influences; or, in other words, when divorced from socialism. "If it be given us," they con-

[18] *Letters,* Vol. II, p. 37. [19] *Memoir of a Brother,* p. 111.

tinued, "to vindicate for Christianity its true authority over the realms of industry and trade, for socialism its true character as the great Christian revolution of the nineteenth century, so that the title of socialism shall be only a bugbear to the idle and to the wicked, and society from the highest rank to the lowest shall avowedly regulate itself upon the principle of cooperation, and not drift rudderless upon the sea of competition, as our let-alone political economists would have it do—then, indeed, we shall have achieved our task; and no amount of obloquy, ridicule, calumny, neglect, shall make us desert it, so long as we have strength and means to carry on the fight. For a fight it is; and a long one, and a deadly one—a fight against all the armies of Mammon.[20]

Developing Opposition. — Kingsley had previously touched on some of the evils of "Mammonism" in his *The Saints' Tragedy,* as well as in his novel *Yeast* in which he set forth the poverty and the hopes of the farm workers. He followed this with his famous novel, *Alton Locke,* a fictitious biography of a tailor-poet who worked himself up from a lowly environment. Alton Locke was published just as the upper classes were beginning their bitter denunciations against the group, who were accused of suffering from a morbid craving for notoriety and a crazy straining after parodox. Advertisements were refused by the daily papers, booksellers did not dare sell copies of their publications, and the *Christian Socialist* was prohibited by the French government from circulating in France. A committee from King's College was selected to investigate Maurice's "dangerous schemes." The group replied to the attacks. Ludlow, who showed the best knowledge of the teachings of economists, issued at that time the first refutations of the wages-fund theory, now finally abandoned by English economists.

Partly as a result of the activity of Maurice, Kingsley and others, the law regarding cooperative ventures was

[20] "The New Idea," by Ludlow, *The Christian Socialist,* Vol. I, No. 1, Nov. 2, 1850; cf. *My Political Creed,* by Parson Lot, in Vol. I, p. 50.

altered in 1852, and a more liberal law passed—"the first law in the civilized world that recognized and protected cooperative societies as separate entities." [21]

Thomas Hughes in the Journal of Association.—In January, 1852, the *Christian Socialist* was replaced by the *Journal of Association,* which Thomas Hughes undertook to edit. It excluded articles of a political or general nature, and devoted itself wholly to cooperation. The society modified its name and was henceforth called the Association for Promoting Industrial and Provident Societies.

Movement Wanes.—During the engineers' strike of 1852, the Society opposed the attacks against the workers and assisted in bringing before the public a better understanding of the aims of the trade union movement. However, toward the close of 1853, defects found in productive cooperation began to come to the surface, and the producers' societies began to decline. Several were robbed of their funds; internal dissension and indifference destroyed some ventures, while rival ventures contributed to the general decline of the movement. E. Vansittart Neale, philanthropist, assisted many financially, but was soon compelled to stop his support.

Feeling that they were not able to cope with the practical details of cooperation, Maurice and Kingsley decided to form an institute to assist in educating the workers along the lines of broader social relationships. Early in 1854, the Workingmen's College was opened. A brilliant corps of instructors was secured, instruction was given in many branches of learning and a periodical was published.

While the leaders of the movement kept up their enthusiastic teachings for many years, the Christian socialist movement as such, as an episode in the national life of England, practically ended in 1855.

The founders failed to accomplish many of their aims. Indirectly, however, they did much, through legislation and agitation, to stimulate the cooperative movement, to educate the economists to a different attitude toward the social problem, to call attention to the patent evils and

[21] Seligman, *op. cit.,* p. 238.

abuses of unrestricted competition and to develop a more sympathetic understanding of the labor movement.

It likewise, according to Vedder, "destroyed in England that hostility between advanced political and social ideas and established religion, which has prevailed on the Continent between socialism and Christianity to the mutual injury of both. Maurice and Kingsley introduced socialistic ideas among a wide circle of Christians, both clergy and laity, who but for them would never have listened to the new theories." [22]

Christian Socialism in Germany and Austria.—In Germany during the middle and later part of the nineteenth century there were numerous attempts of ministers of the Protestant and Catholic Churches to interest their respective churches in the problems of the working class. Of the Catholic Churchmen one of the foremost was Bishop of Mainz, Baron von Ketteler (1811–1877). Von Ketteler accepted the doctrine of the iron law of wages and assented to many of the teachings of the social democrats. He held that God, or the church, was the supreme owner of all property and advocated, besides labor legislation, the development of productive cooperative enterprises under Catholic auspices—but with state financial support—as the solution of the labor problem. The program was designed in part to weaken the state as a rival of the church, in part to help labor, in part to attract labor to the church. F. C. J. Monfang, Franze Hitze, Adolph Kolping and others were also active in various movements of this order.

In Austria Karl Lueger (1844–1910) adopted the program of the German Catholic cooperators and organized the strong Austrian Christian Socialist party, which, however, became more anti-Semitic than either Christian or socialist. In France we find Albert de Mun (1841–1914) organizing the *Action Libérale Française,* virtually the Catholic Socialist party of France.

In more recent years Stöcker, the fanatical court preacher of the Hohenzollerns, organized what was called

[22] Vedder, Henry C., *Socialism and the Ethics of Business* (N. Y.: Macmillan, 1914).

a Christian Social Workingmen's party. Like the Christian Socialist party of Austria, this party had little of Christianity or socialism in it as compared with its anti-Semitism. While Stöcker favored labor legislation, he wanted the monarch to be the leader in social reforms, and his prime interest was to bring the people back to the church. During the nineties, Friedrich Naumann also made an unsuccessful effort to capture German Protestantism for a radical social reform policy.

The point of view of many of the so-called Christian socialists of the late nineteenth century on the Continent was expressed by the celebrated Belgian professor of Political Economy, de Laveleye:

"The proletarians have been detached from and will return to Christianity when they begin to understand that it brings to them freedom and equal rights, whereas atheistic materialism consecrates their slavery and sacrifices them to pretended natural laws. By a complete misapplication of ideas, the religion of Christ, transformed into a temporal and sacerdotal institution, has been called in as the ally of caste, despotism and the ancient regime to sanction all inequalities. The Gospel, on the contrary, is the good news to the poor—the announcement of the advent of that kingdom when the humble shall be lifted up and the disinherited shall possess the earth." [23]

Later Christian Socialism in England.—During the eighties in England the Rev. Stewart D. Headham organized the Guild of St. Matthew, a high church organization. Headham long edited the *Church Reformer,* the organ of the guild and an outspoken advocate of Christian socialism. In 1889, the Christian Social Union was founded under the leadership of the Bishop of Durham and embraced in its membership Bishop Gore, Bishop Stubbs and many others. During this period a Christian Socialist Society, not confined to the Church of England, was also formed, and later the Christian Socialist League, of which Dr. John Clifford was a leading spirit.

[23] Quoted by Kaufmann, in *Contemporary Review,* April, 1882.

The Teachings of Jesus and Socialism.—The Christian Social Union took the position that no one could follow the teachings of Jesus and support the capitalist order of society; the only alternative was the advocacy of a new social order. "Everyone who says the Lord's Prayer," declares the Reverend Percy Dearmer, "definitely proclaims himself a fellow-worker with God for a perfect social state; he prays for a heaven on earth, for God's will to be as perfectly done here as it is in heaven. . . . As Ruskin says, 'when you pray "Thy Kingdom come," you either want it to come or you don't. If you don't, you should not pray for it. If you do you must pray for it —you must live for it, and labor for the Kingdom of God.' "[24]

The Lord's Prayer further says, "Lead us not into temptation." "But the state in which we do happen to live is individualistic, and I need hardly remind you that under this present competitive system the atmosphere of temptation is terrific. In the office and the workshop, in the studio and behind the counter, all day long the voices cry: 'Make money, honestly if you can; but, at all events, make money! If you want to get on, you mustn't mind shouldering So-and-so out of the way. You must look after Number One. Every man for himself, and the devil take the hindmost!'

"Now, I think this, more than anything else, has made me a socialist. I know that money is the main cause of the awful temptations of these modern times, which have seriously made a new gospel, not of good-will towards men, but of 'Self-help'; and I want not only to be freed from this temptation myself, but I want 'us' to be freed from it, for I know that it is destroying all our nobility of character. If I want, then, mankind not to be led into temptation, I cannot support the present competitive system. Only one means of escape can I see, and that is to destroy material competition, which every page of the Bible condemns, and to establish, so far as possible, the

[24] Dearmer, Percy, *Socialism and Christianity*, p. 12.

collective ownership of the means of production, distribution, and exchange.'' [25]

During the last decade or so, many hundreds of churchmen in Great Britain have connected themselves with the British Labor party, the Guild Socialist League, the Independent Labor party and other socialist organizations.

Christian Socialism in the U. S.—In the United States a Christian Labor Union was organized in 1872, and during the following years the Rev. Josiah Strong, Professor Richard T. Ely, George D. Herron, Washington Gladden and others presented through this and other organizations the social challenge to the Christian church. In 1889, the first strictly American Christian Socialist Society was organized by Rev. W. D. P. Bliss, an Episcopal clergyman.

The first quarter of the twentieth century witnessed the formation of several societies committed to socialism or to a new social order more in conformity with the principles of Jesus, among them the Collectivist Society, of which Rufus W. Weeks, a vice president of the New York Life Insurance Company, was a leading member; the Christian Socialist League, the Church Socialist League, the Church League for Industrial Democracy, the Fellowship of Reconciliation and the Fellowship for a Christian Social Order. Walter Rauschenbusch, for years Professor of Church History in Rochester Theological Seminary, during the years immediately before the World War, did more than any other single individual to bring the social message before the church. His *Christianity and the Social Crisis, Christianizing the Social Order* and other books were clarion calls to the church to uproot the commercialism of the day and work for an economic democracy.

''Christianity,'' declares Rauschenbusch, ''makes the love of money the root of all evil and demands the exclusion of the covetous and extortioners from the Christian fellowship; capitalism cultivates the love of money for its own sake and gives its largest wealth to those who use monopoly for extortion. Thus two spirits are wrestling for the mastery in modern life, the spirit of Christ and

[25] *Ibid.*, pp. 13-14.

the spirit of Mammon. . . . If the one is Christian, the other is anti-Christian. . . . Whoever declares that the law of Christ is impracticable in actual life and has to be superseded in business by the laws of capitalism, to that extent dethrones Christ and enthrones Mammon. . . . The most important advance in the knowledge of God that a modern man can make is to understand that the Father of Jesus Christ does not stand for the permanence of the capitalistic system. . . .

"The most comprehensive and intensive act of love in which we could share would be a collective action of the community to change the present organization of the economic life into a new order that would rest on the Christion principles of equal rights, democratic distribution of economic power, the supremacy of the common good, the law of mutual dependence and service, and the uninterrupted flow of good will throughout the human family." [26]

Partly as a result of such teachings as those of Professor Rauschenbusch, Professor Harry F. Ward, Bishop Spaulding, Bishop Paul Jones and a host of others; partly as a result of the larger social forces at work, the churches have, during the last two decades, organized various commissions on Social Service and have formulated social creeds which, though not committed to a socialistic state, emphasize the need for more democracy and a more social motive in industry, and condemn many of the evils of our competitive system. The Encyclical on Labor of Leo XIII has also had a profound effect on the clergy of the Catholic Church as far as the consideration of labor problems is concerned.

Summary.—All types of Christian socialists have united in the belief that the application of Christianity to the social order would lead to the elimination of many of our social ills, but they have failed to agree regarding the remedies proposed and have been actuated by decidedly different motives. The early Christian socialists on the Continent and England had little conception of the doc-

[26] Rauschenbusch, Walter, *Christianizing the Social Order,* pp. 322-3.

trine of "scientific" socialism, as their educational work preceded the development of this school of socialist thought. For the most part, they urged a modification of conditions under the capitalist system rather than the overthrow of that system, and, in many instances, turned to the producers' cooperative movement—to the self-governing workshop—as the way out.

Back of much of the propaganda of the Christian socialists of that day on the Continent was the desire to augment the prestige of the church and bring the masses within its membership. Maurice, Kingsley and his followers, on the other hand, were more concerned in bringing the church nearer to an understanding of the masses, than in bringing the masses to the church. The Christian socialist movement in Austria, which has been continued to this day, contained few of the elements either of Christianity or of socialism.

The later Christian socialist movements in England and America have been rather definitely committed to the tenets of modern socialism. Many of them have joined the Christian socialist movement in the belief that Christianity needs the socialist philosophy and that the socialist movement equally needs the spiritualizing influence of Christianity. They contend that, in addition to other reasons for working for socialism, they should strive for it as the logical application to industrial society of the Christian doctrine of the Fatherhood of God and the brotherhood of man.

On the whole, the propaganda of these movements has aided materially in bringing the ideals of socialism before tens of thousands who would otherwise be unaware of its existence and has brought into the socialist movement, especially in England, a group of earnest workers of no little value to the cause of socialism. Christian socialists have in general differed from the utopian socialists in refusing to construct the details of an ideal commonwealth which, in their opinion, should be superimposed upon society. They have laid more stress on ethical, emotional forces rather than on the power of logic and reason as a means

of social salvation. With the utopians, however, they have, in numerous cases, refused to put their trust in the non-privileged workers as the economic group which would remedy injustices and have felt that the privileged groups in the community, if shown the light, would do their part to change the economic order. This attitude, however, applies to the earlier Christian socialist group more than those of the present day.

Socialism of the Chair and State Socialism

The Origin of the Movement.—Another form of so-called socialism which gained some vogue in Germany during the last half of the nineteenth century is professorial socialism or socialism of the chair. Precursors of this school were Karl Johann Rodbertus (1805–75) and the Frenchman, Charles Brook Dupont-White (1807–78). The scientific leader of this school, and its most advanced member was Adolph Wagner, the Berlin professor. Gustav Schmoller, Brentano, Adolph Held, Schaeffle and other scholars in German universities were likewise members. In 1871, Herr Offenheim, in the *National Zeitung,* dubbed a number of these professors *Katheder Sozialisten* or socialists of the chair. This term was accepted by Professor Schmoller in his opening address at a gathering at Eisenach in 1872, which led to a considerable movement in Germany and to the formation of the Union for Social Politics.

The attitude of this school is thus expressed by Schmoller:

"We preach neither the upsetting of science nor the overthrow of the existing social order and we protest against all socialistic experiments. But we do not wish, out of respect for abstract principles, to allow the most crying abuses to become daily worse, and to permit so-called freedom of contract to end in the actual exploitation of the laborer. We demand that it [the state] should concern itself, in an altogether new spirit, with his instruction and training, and should see that labor is not conducted under

conditions which must have for their inevitable effect the degradation of the laborer."

Negatively, then, the German professorial socialists vigorously attacked the empty abstractions of the Manchester school of economics, declaring that this school had no appreciation of the higher duties of the state in the protection of the working class or of the ethical side of economic life. At the same time, they frowned upon the incipient socialist movement as being directed against the existing state and held that, if the just demands of the workers were satisfied by the state, the hold of the social democrats on the working class would be loosened.

The Professorial Socialists and the State.—The state to them was, above all things, a moral person, arising out of the essential characteristics with which God had endowed humanity. State obligations, they held, are sacrosanct. The rights of the state spring from a higher source than a social contract of the citizens with one another. The state stands above the citizens as the church above its members. Humanity progresses, and ever must progress, through church and state. The state, in fact, according to Schmoller, is the grandest moral institution for the education and development of the human race.[27] In practical politics the Wagner-Schmoller school abjured violent or sudden change, and looked forward to a slow evolution toward improved labor conditions.

The Law of Government.—According to the law of government, as "discovered" by Wagner, the state was, in the nature of the case, bound to absorb an ever larger number of functions. The development of state railroads, postal service, telephones, educational system, etc., was an illustration of this law. Governments were increasingly engaged in passing sanitary legislation, inspecting buildings, enacting wage and hour legislation, etc. These matters are no longer left to individual initiative and private competition.

In commenting on this Wagnerian law, Professor Ely declares:

[27] Ely, *French and German Socialism*, p. 242.

"Its operation would, of itself, establish the socialistic state, since, if government continually absorbs private business, there will, in the end, be only state business. In this socialistic state there would be the same difference in rank as at present between the different governmental employes. At the top of the social ladder there would still be an employer, and at the bottom ordinary laborers, steadily employed in the service of the state, as e.g., the workmen on the state railroads now." [28]

Influence on Bismarck.—The socialists of the chair were no mere esoteric philosophers. They were vitally concerned with the problems of the Germany of their day, and they exerted a considerable influence on the outstanding statesman of Europe—Bismarck. Bismarck became a close student of this school and seized upon the program of Wagner, Schmoller and others in attempting at one and the same time to strengthen the state, undermine the social democratic movement and improve working conditions. The social legislation of the seventies and eighties in Germany was the result.

State Socialism.—The social legislation of Bismarck has been often referred to as state socialism. The term state socialist has had, however, during the last few decades, many connotations. It has been used to describe the social legislative program of Bismarck, which did not seek to reconstruct the present order, but merely to mitigate the evils of capitalism through social insurance against unemployment, sickness and old age; through state ownership of such utilities as the railroads, and through public regulation. While Christian socialists hoped, through their program, to strengthen the church, the state socialists aimed at increasing the loyalty of workers to the state, and, at the same time, weakening the revolutionary working class party. Thus Bismarck declared: "Give the working man the right to employment as long as he has health. Assure him care when he is sick, and maintenance when he is old. If you will do that without fearing the sacrifice, or crying out 'state socialism' directly the words 'provision for old

[28] *Ibid.*, p. 243; see also *supra*, p. 290.

age' are uttered, . . . then I believe that the gentlemen of the Wyden [social democratic] program will sound their bird-call in vain; and as soon as the working men see that the government is earnestly concerned with their welfare, the thronging to them will cease.'' [29]

This general tendency toward state socialism has advanced to such an extent since the days of Bismarck that at present in most European and Australian countries, at least, the citizen receives his mail, his telegrams, and his telephone messages through public agencies. As Webb so well brought out, he walks along streets lit by the public gas or electric service, cleaned with brooms and water drawn from the public supply; he travels on public tramways or railroads. He sends his children to the public schools; many a leisure hour he spends engaged in sports in the public parks, swimming in the public pools, reading books loaned by the public library and attending concerts or lectures or art exhibits arranged by public agencies.

He, perhaps, houses his family in a city built cottage or tenement. If he chooses, he keeps his money in the public savings bank, and buys many of his supplies from the public market. When out of work or sick or old, he draws his allowance from the public insurance fund. He can at any time apply for treatment at the public hospital, and there secures the services of a physician paid from the public treasury. And when his life's work is over, he might be assured of a decent burial in a public cemetery with the competent assistance of a public undertaker.

In a thousand and one other ways he is constantly coming into vital touch with the industrial, financial, educational and social agencies operated by local, provincial or federal governments.

The impulse back of this movement has been varied. On the one hand, government ownership is advocated as a means of preserving the political or economic *status quo.* A certain amount of such ownership has been adopted with a view to making the state a more efficient military power, ensuring additional revenues to the government, rendering

[29] Quoted in Hunter, Robert, *Socialists at Work,* p. 223.

business men needed assistance in their competition with foreign countries, taking "the wind out of the sails" of the socialist movement and increasing the loyalty of the workers to the government.

Business interests have at times urged municipal ownership as a means of increasing the numerous revenues from municipal utilities, with a consequent lowering of the tax rates, or of attracting outside industries through low gas and electric rates, better health and housing conditions.

The mass of the people have demanded public control in order to abolish the anti-social exploitation and tyranny of large corporations and monopolies; to promote the health and safety of the community; to increase educational and recreational opportunities; to encourage the use of certain services or commodities; to reduce the enormous wastes of individualistic competition; to decrease the high cost of living; to improve the condition of the workers, and to strengthen in general all those forces which are working for a more complete democracy and brotherhood.

The distinction between the motivating forces back of the socialist movement and those back of state socialism and certain kinds of government ownership has been aptly made by Morris Hillquit, leader of the American Socialist party:

"Government ownership [or state socialism] is often introduced not as a democratic measure for the benefit of the people, but as a fiscal measure to provide revenue for the government or to facilitate its military operations. In such cases government ownership may tend to strengthen rather than to loosen the grip of capitalist governments on the people, and its effect may be decidedly reactionary. Similarly government ownership is often advocated by middle-class 'reform' parties, with the main purpose of decreasing the rates of property owners and reducing the rates of freight, transportation, and communication for the smaller business men.

"The socialist demand for government ownership of industries of a public or quasi-public nature, spring from different motives and contemplates a different system than

the similar demands of other parties. The socialists advocate government ownership primarily for the purpose of eliminating private profits from the operation of public utilities, and conferring the benefits of such industries on the employes and consumers. Their demand for national or municipal ownership of industries is always qualified by a provision for the democratic administration of such industries and for the application of the profits to the increase of the employes' wages and the improvement of the service. Furthermore, it must be borne in mind that when the socialist platform declares in favor of government ownership of certain industries, the Socialist party at the same time nominates candidates for public office pledged to carry out these measures in the spirit of that platform. In other words, what the socialists advocate is not government ownership under purely capitalistic administration, but collective ownership under a government controlled or at least strongly influenced by political representatives of the working class." [30]

Mr. Hillquit's distinction between government ownership and collective ownership as advocated by modern socialists is in general the distinction made between the state socialist and the democratic socialist approach. The distinction between state capitalism and state socialism made by the communists seem to be that state capitalism presupposes a considerable ownership of industry by the state—including public utilities, natural resources, etc.—and that state socialism presupposes the ownership by the state of practically all essential industries, accompanied, perhaps, by a much smaller spread between the minimum and maximum salaries paid than at present prevails in state industries. Beyond that stage they see communism.

There are, however, some who insist—the consumerists, syndicalists and guild socialists among them—that all socialists who urge ownership of industry by the municipality, state and nation, are state socialists, even though such public ownership provides for a democratic administration and is operated by a government controlled or

[30] Hillquit, Morris, *Socialism Summed Up*, pp. 73-4.

strongly influenced by labor. This, however, is not the generally accepted definition of state socialism in the working class movement today.

Other Schools.—At various stages in the socialist movement, socialists and social reformers have coined the names "constructive socialism,"[31] "pragmatic socialism,"[32] "practical socialism,"[33] etc., while the opponents of "spurious socialisms" have called their opponents by such names as "feudal" socialists, petty "bourgeois" socialists,[34] etc. None of these groups, however, has constituted a school of importance within the movement.

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[31] H. G. Wells in his admirable book, *New Worlds for Old* (N. Y.: Macmillan, 1908), aligns himself with the "constructive" socialists, who believe that "unless you can change men's minds you cannot effect socialism, and when you have made clear and universal certain broad understandings, socialism becomes a mere matter of science and devices and applied intelligence."

[32] M. C. Rorty, vice-president of the International Telephone and Telegraph Corporation, at a dinner of the League for Industrial Democracy, December 29, 1926, defined "pragmatic socialism" as "that philosophy of human organization which seeks to promote the happiness, and the intellectual, scientific, and economic advancement, of a community as a whole, by utilizing the institutions of private and public property, and of individual and collective capital and enterprise in the most effective manner permitted at any given time by the existing character and capacity of the population involved."

[33] See Barnett, *Practicable Socialism;* see also Kelly, Edmond, *Twentieth Century Socialism* (N. Y.: Longmans, 1910).

[34] See *Communist Manifesto,* Pt. III.

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CHAPTER XXXII

GENERAL SUMMARY

In the previous pages we have traced socialist thinking through its various stages of development from utopianism to the present day.

In the utopian stage, as we have seen, numerous philosophers and humanitarians pictured an ideal commonwealth which needed but to be perceived to be accepted. They were troubled not at all by the fear that society was not ready for the leap from private to common ownership of industry; that a privileged class could not, as a class, be depended upon to give up its privileges without pressure from below; and that no philosopher, however wise, could decide in detail the exact kind of industrial regime which a future social group would accept. But they performed a unique service in calling attention to the inadequacies of the industrial system and strove nobly to indicate how men and women should live on a more equitable and more brotherly basis.

During the middle of the nineteenth century utopian socialism began to give way to "scientific" or Marxian socialism. Marxian socialists refused to paint vivid word pictures of the coming order. They insisted that society changed from one stage of development to another not as a result of the imaginings of a few dreamers, but of the normal development of economic and social forces, accelerated by the pressure of the working class, conscious of its aims and determined to triumph over the capitalist class and do away with classes and class struggles. The economic interpretation of history, the theory of the class struggle and the doctrine of surplus value were the cornerstones of the Marxian philosophy. Marx, applying his sociological doctrine to capitalist society, saw industry under capitalism

concentrating in fewer and fewer hands; the working class, under unregulated capitalism, increasing in misery; crises becoming ever more extensive, and the industrial order finally collapsing, and giving place to a cooperative order. Marx and Engels believed that this collapse and the triumph of the workers would probably be attended by violence and civil war, although, in their later writings, they expressed the belief that a peaceful transition might be effected in some of the Western countries.

Some thirty-five years after the issuance of the *Communist Manifesto,* Fabian socialism made its appearance in England. The English Fabians based their economics on the Ricardian law of rent, rather than on the labor theory of value. They realized the importance of the workers in bringing about social change, but they believed that other elements in the population besides the working class, namely the middle, professional groups, could also be reached by the socialist challenge if properly presented to them. They set before themselves the task of "permeating" the middle class with the socialist message. They visualized the coming of socialism as a result of increasing municipal and federal ownership of industry, increasing power of labor in legislative and executive offices, increasing growth of the cooperative, trade union and educational movements, and the development of social consciousness; in short, through a gradual democratization of society on the political, economic and intellectual fields. In this school of thought Sidney and Beatrice Webb and Bernard Shaw were the chief pioneers.

Allied with the Fabian school of England was the revisionist school originating in Germany and led by Eduard Bernstein. Revisionism was a more conscious attempt than was Fabianism to modify some of the tenets of the Marxian theory. Bernstein in particular saw the class struggle becoming less intense, the condition of the working class improving rather than becoming increasingly degraded, the middle class increasing in numbers, crises becoming less severe and large areas of industry remaining under small scale production. The most important thing to Bernstein

about socialism was the *movement,* rather than the *ultimate ideal.* From the nineties, when the revisionist challenge was issued, until the European war socialism in Germany and other Continental European countries was rent asunder in the realm of intellectual discussion if not in party organization by discussions over the issue of Marxism vs. revisionism. The Marxian theories, ably defended by Kautsky, were still maintained as the official theories of the party, while revisionist tactics quietly won out in the actual day-to-day struggles of the movement.

In the meanwhile the "revisionism of the left," the syndicalist philosophy, was developing in France and other Latin countries and also making its appearance to some extent in the United States. The syndicalists accepted the class struggle theory of Karl Marx; they preached the abolition of the political state, urged industrial action as the only effective means of bringing about a revolutionary change in society, looked to the general strike as a means of transforming industry from capitalist to workers' control, and visualized a social order in which all power would be given to the producer and the trade and industrial union would serve as the economic framework of society.

Drawing their inspiration from the syndicalists, from the ancient guild system, and other sources, a new philosophy, known as guild socialism, endeavoring to combine the good points of socialism and syndicalism, grew up in England in the beginning of the twentieth century.

Here we find, as in syndicalism, the Marxian emphasis on the class struggle, the abolition of the wage system and the demand for representation of the workers in industrial control. We find also the old guildsman's emphasis on the need for the development of the creative instinct in industry, and the utopian's passion for visualizing in considerable detail the future socialist society.

The guild socialists, however, believed that the syndicalists had ridden one horse to death. The producer should have large control over the industries of the community, but the consumers should also have their say. The old state, used as an instrument of oppression, should be elimi-

nated, but some organization must exist to take charge of many civic activities necessary to the life of the community, while the local control of industry in the bourses suggested by the syndicalists would, they believed, prove absolutely inadequate to modern industrial development.

The World War came. Revolution followed. Communism loomed up in the East, and the communist or bolshevik philosophy began to command the attention of the world as a new and potent phase of revolutionary thinking.

While communism has not gained the adherence of the main body of socialists outside of Russia, recent developments in that country have, nevertheless, stimulated increased interest in the kind of social ownership after which socialists should strive, and have led to further reconsideration of socialist aims and tactics. In the meanwhile, while many thousands of socialists have been striving to secure control of the state, other thousands of workers have been engaged in building up a democracy of working class consumers through the voluntary cooperative movement, of great significance to the working-class movement.

Other schools there have been in the course of the last century—the school of Christian socialists, led by Charles Kingsley, Frederick Maurice and others; the school of state socialism and of socialism of the chair of which Schmoller, Wagner, Bismarck and others were representatives; nor do these exhaust the list.

Each school of thought has had its origin, as has been suggested, in political, economic and psychical conditions of the period, and each has undergone an evolutionary process, making it at times almost indistinguishable from the school which it started out originally to oppose.

The modern socialist movement is in a sense an amalgam of the various schools of socialist thought which have preceded. The visions of utopian writers have been indelibly impressed on the minds of thousands of socialists and have aroused in them the first emotional impulse to join the host aiming at a reconstructed world.

Marxism, with its emphasis on the importance of the economic factor in the progress of society and the inevitability

of the class struggle as a means of abolishing class struggles; Fabianism and revisionism, with their insistence on the gradual development of society toward a new social order through democratic means, and the need of reaching non-proletarian forces with the socialist appeal; syndicalism and guild socialism, with their demand for adequate representation of the producer in the control of industry; communism, with its advocacy of proletarian dictatorshp and its condemnation of bourgeois democracy—all are reflected to a greater or lesser extent in the various socialist movements of the day. And all of these movements are united in the attainment of an industrial order whose aim is service rather than profit, based on public or cooperative ownership of the principal means of production and distribution. All desire the elimination of the waste, the unjust inequality of wealth, the tyranny of industrial control and the insecurity of livelihood which, they insist, are inherent in the present organization of society. All look to the great economic class known as labor as the chief instrument for bringing about the change. During the post-war days, the leaders of the movement have been giving increasing attention to concrete plans of socialization and have begun to apply the principles of social psychology to the industrial struggle.

The socialist movement has not as yet "arrived" in most of the nations of the world. Socialism has not been attained in any nation as yet. But one cannot study the influence of the socialist movement and philosophy on politics, on industry, on the social sciences, on literature and the ethical concepts of the age, without giving the movement a secure place among the most powerful social influences of the last half-century and among those movements which seem destined fundamentally to mould for good or for evil our entire world economy in the years to come.

INDEX

Absentee owners, 401.
Accident insurance, 568.
Accumulation, law of capitalist, 189–90.
Acquisition, 130, 612; *See also* Accumulation; Profit Motive; Incentive.
Acquisitive society, 609.
Action Libérale Française, 663.
Administration, of industry under socialism, 339, 585, 590, 597; *See also* Control; Management.
Administrators in socialized industry, 251; *See also* Managers; Administration.
Agadir incident, 384.
Agriculture, communist proposals, 171; socialization of, 310, 341; under guild socialism, 406–7; under Russian soviets, 493, 499, 505, 507; Kautsky on, 593–4.
Agricultural cooperation, 632–3, 635, 640–1; *See also* Cooperation.
Aquinas, S. Thomas, *Summa*, cited, 22 n.
Albert, leader of 1848 revolt, 176.
Alcohol, and cooperatives, 630.
Alessandri, of Chili, 573.
Allemane, J., 359.
Allemanists, 362.
Allen, William, partner of Owen, 108, 130.
Alvarado, General Salvador, 573.
Amalgamated Union of Cooperative Employes, 648.
America, communist colonies in, by Cabet followers, 61; by Fourier's followers, 74; Utopian socialism in, 123; concentration in, 325–6; revolution, influence of, 55, 188; civil war, 188; 420; 496; socialism in, 570–4; 576; cooperation in, 635–7; agricultural cooperation, 640. *See also* United States and other American countries.
American Christian Socialist Society, 666.
American Federation of Labor, 571.
American Railway Union, 571.
American worker, and inferiority complex, 603–4.
Anarchism, of Proudhon, 80, 83; of Godwin, 95; the movement, 355–7; anarcho-communism, 364; in Holland, 564; in Spain, 569; in Asia, 575.
Andreae's, J. V., *Christianapolis*, 42–4, 47.
Angell, Norman, *Must Britain Travel the Moscow Road*, 531–6.
Annuity, Laski on, 587; Raushenbush on, 599 n.
Anseele, Edouard, 563, 629.
Anti-fascist forces, 566–7.
Anti-Semitism, 651, 664.
Anti-socialist legislation, 289.
Anti-state philosophers, 398.
Antonelli, Étienne, *Bolshevik Russia*, 445.
Apocalyptic writers, 7.
Appropriation of means of production, 235; *See also* Expropriation; Compensation.
Archbishop's Report on Industrial Relations, 430.
Argentina, socialism in, 572–3.
Aristocracy of learning, in *City of the Sun*, 45; of science, proposed by Saint-Simon, 66; *See also* Ruling classes; Dictatorship.
Aristotle, 11, 24.
Arkwright, 242.

Armaments, 573; *See also* Disarmament, Militarism.
Army, elimination of standing, 232, 293.
Arnold, Matthew, 122 n.
Art under socialism, 343; in Russia, 517; in British Labor party program, 551–2; Webb on, 581.
Asia, socialism in, 575–6; cooperation in, 635.
Association, 125, 126, 659; *See also* Cooperation.
Austin, John, 398.
Australia, 574, 576, 577, 635.
Austria, 175–8, 279, 371, 530, 557 n.; socialism in, 559–60; 576, 633, 663–4.
Autonomy of socialized industry, 59; *See also*, Control of industry; Syndicates.
Aveling, Edward, 185; in *Charles Darwin and Karl Marx*, 199 n.
Aventine, opposition, 567.
Axelrod, Russian leader, 442.
Azev Case, 449.

Babeuf, Francis N., life and teachings, 56–8, 140, 240.
Bacon, Francis, *New Atlantis*, life and teaching, 37–9, 47.
Bakunin, 192, 356, 441, 529, 565.
Ball, John, 24 ff.
Banking, cooperative, 624–5, 631, 637–8; *See also* Cooperation.
Barbaret, *Monographies Professionnelles*, 351–2.
Barnett, *Practicable Socialism*, 675.
Barth, Paul, 321.
Baudrillart, H., in *Publicistes Modernes*, cited, 76 n.
Bauer, Bruno, friend of Marx, 158.
Bauer, Otto, on Socialization, *Weg Zum Sozialismus*, 596–8.
Bax, Ernest Belfort, *Last Episode of the French Revolution*, cited, 58 n.
Beard, Robinson and, *Outline of European History*, 222.
Bebel, August, 286, 291, 294.
Becker, Bernherd, 286.
Beer, M., *History of British Socialism*, cited and quoted, 20, 22–4, 37, 38–9, 47–9, 52–3, 92 n., 95 n., 101–2 n., 112 n., 118 n., 193 n.; 229, 231 n., 361 n.; *Life and Teaching of Karl Marx*, cited and quoted, 150, 153 n., 154 n., 155, 180, 185.
Bela Kun, 561.
Belgium, Marx forced to leave, 180; socialism in, 563, 576; cooperation in, 629–30.
Bell, Richard, 395.
Bellamy, Edward, *Looking Backward*, 43, 141–2; *Equality*, 142.
Bellers, John, teachings, 52 n.
Belloc, Hilaire, 397, 399.
Benson, Allan L., 571.
Bentham, Jeremy, theory of greatest good, 92; partner of Owen, 108.
Berger, Victor L., 571–2.
Bergson, 381.
Bernstein, Eduard, *Socialismus und Democratie*, cited, 50; Editor, *Social Democrat*, 290; revisionism, 295–320; *Evolutionary Socialism*, cited and quoted, 295–320; life of, 295–7; Marxists' reply to revisionists, 320–47; and German revolution, 554; 679–80.
Berth, Edouard, 378.
Bertrand, 629.
Besant, Annie, 237, 239; industry under socialism, 267–9.
Bevington, L. S., 356 n.
Bible, a book for oppressed, 654; *See also* Utopias, Ethico-Religious; Christian socialism.
Bi-cameral legislature, abolition of, 543; *See also* Legislature, Representation.
Bing, Alex., on building guilds, 430.
Bishop of Durham, 664.
Bismarck, and state socialism, 288–90; 671–2, 681.
Black Hundred, deputies of, 450.

Blackstone, William, 89.
Blanc, Louis, life, teaching, 75 ff., 96, 140, 176–7; 659; *Organisation du Travail*, 75.
Bland, Hubert, 237, 269.
Blanqui, 350, 359, 367–8.
Blanquist, 335, 362, 367.
Bliss, W. D. P., 666.
Bloody Sunday, 445–7.
Boer War, 396.
Bohemia, 1848, struggle in, 177.
Boisquillebert, theory of value, 204.
Bolsheviks, 188; organization of, 443–4; teachings, 453–4; theory, 468–492; Congress of 1905, 458; began opposition to Kerensky, 462; 632, 681; *See also* Communists.
Bolshevism, *See* Communism.
Booth, A. J., *Saint-Simon and Saint-Simonism*, cited, 67 n.
Boudin, Louis B., 321; *Theoretical System of Karl Marx*, 324 ff; on value, 324; on concentration, 326–7; on middle class, 327–9; on increasing misery, 334–5.
Bourgeoisie, disarming of, 180; democracy and, 470, 474; after Revolution, 484 ff; *See also* Capitalist; Ruling class.
Bourse du Travail, 360–1, 363–4, 374–6.
Boycotts, 365, 370.
Brandes, George, *Ferdinand Lasalle*, 280 n., 281.
Branting, Hjalmar, Premier of Sweden, 562–3.
Braun, Adolph, 594.
Braun, Otto, on socializing industry, 558 n.
Brazil, socialism in, 573.
Brentano, 669.
Breshkovskaya, Katherine, 453.
Brest-Litovsk, Treaty of, 465.
Briand, Aristide, in French railroad strike, 362, 383–5.
Bright, John, 655.
Brighton Pioneers, 620.
Brisbane, Albert, utopian socialist, 123, 129.
Brisbane, Redelia, *Albert Brisbane*, 123.
British Labor party, 276, 394, 395–7, 548, 550–3, 666.
British Trade Union Congress, resolution on political action, 394.
British Trade Union Council, 553.
British Trade Union Delegation to Russia, 1924 Report, 496, 501, 505, 512, 513–4.
British, *See* Great Britain.
Brook Farm, 129, 234.
Brophy, John, 598.
Brousse, Paul, 357, 358.
Broussists, 367.
Bryant, William Cullen, 127.
Buchez, follower of Saint-Simon, 67.
Bulgaria, socialists in, 519, 570.
Bukharin, *The Development of Socialism from Science to Practice*, 478 n., 539.
Bureaucracy, 500, 539–41, 594, 590; *See also* Control.
Burke, Edmund, *Vindication of Natural Society*, 89.
Burt, Thomas, M.P., 222.
Business enterprise, 612.

Cabet, Etienne, career and teaching, *The Voyage to Icaria*, 59–61; referred to, 123, 132, 140, 155, 240.
Cade, Jack, 25.
Cadets, *See* Constitutional Democrats.
Cairns, 223; on idle rich, 226.
Calles, Elias Plutarco, 573.
Calvinism, 654.
Campanella, Thomas, *City of the Sun*, 43–5; 47.
Canada, socialists in, 572.
Capital, of Karl Marx, cited and quoted, 196, 201, 202, 305, 306, 319, 324.
Capital, nationalization of, 235, 260–2.
Capitalism, indictment of, 127; Engels on expansive capacity of, 181, 182; own grave diggers, 19; immoral, 262–5; ef-

fect on character, 263; insecurity under, 292; crises, 330–1; trend of, 332–3; cause of war, 469; appraisal of, 500; Third International on, 519; British labor on, 550; waste and, 606–7; cooperation and, 640; *See also* Rich, Communist Manifesto, *Capital,* Capitalist.
Capitalist, rôle of, 162; achievements, 163; brings about concentration, 163; develops world market, 164; unable to control forces, 164–5; becomes own grave diggers, 169; loses function as manager, 249, 610; may be eliminated, 251; class, power of resistance, 484; proletariat and, 476–8; resistance of, 528; *Sec also* Capitalism; Manager.
Capitalist accumulation, law of, 189–90.
Captains of finance, 612.
Carlyle, Thomas, *Sartor Resartus,* 122 n., 129; 244, 397.
Carpenter, Niles, *Guild Socialism,* cited and quoted, 400, 411, 416, 423, 428, 430–1, 432.
Cataclysm, tragedy of, 527 n.
Catastrophes diminishing, Bernstein on, 298.
Catholic Church, 563, 651–2, 663 ff., 667.
Catholic socialist party, France, 663.
Cavaignac, General, 177.
Censorship, in *Icaria,* 601; *See also* Civil liberty, Freedom of speech, Suppression.
Cestre, Charles, *John Thelwall,* 102.
Chamberlen, Peter, teachings of, 51 ff.
Champion, Henry H., 233, 237.
Character, result of circumstances, 110; and capitalism, 263; *See also* Economic Interpretation of history.
Charlemagne, ancestor of Saint-Simon, 61, 62.
Charter, urged by Chartists, 215–6.
Chartist, 176, 219, 227, 232, 405, 620, 656–7.
Chase, Stuart, *The Tragedy of Waste,* 608 n.; *Are Radicals Crazy?,* 613 n.
Channing, William Ellery, denounces existing system, 128.
Cheka, Russian, 533.
Chesterton, Gilbert K., 397.
Child labor, 243, 293.
Children, reared by community Babeuf, 58; *See also* Education.
Chili, socialism in, 573.
China, socialism in, 575–6; cooperation in, 635.
Christ and poverty, 52; *See also* Christianity.
Christianity, asceticism of, 64; the *New Christianity,* 65 ff., is association, 126; ethics of, 654; *See also* Christian Socialism; Religion.
Christian socialism, 651–69, 671, 681.
Christian Socialist party, Austria, 560, 663–4.
Christian Socialist League, 664, 666.
Christian Social Union, 664–5.
Christian Social Workingmen's party, 664.
Chubb, Percival, 237.
Church, Owen indicts, 114; under feudalism, 241; state and, 293, 336, 446; 517; socialism and, 651–69; *See also* Christianity.
Church League for Industrial Democracy, 666.
Church Socialist League, U.S., 666.
Civic-sovereignty theory, 410–11.
Civil liberties, in Russia, 513–17, 555; in Italy, 567-8; *See also* Freedom of speech, Censorship, Suppression.
Civil War, American, 188, 217, 222; Russian, 496.
Clarke, William, 234, 237, 239, 249 ff., 274.
Class consciousness, 600; *See also* Class struggle, Class solidarity.
Class solidarity, 604–5; *See also*

Class struggle, Class consciousness.
Class Struggle, Charles Hall on, 99; recognized by Godwin, 127; Marx formulates class struggle theory, 155; 159–60, 161 ff.; abolition of, 171; importance of, 203; Fabians and, 229, 270; less acute than Marx depicted, 297; Croce's criticism of, 319–20; syndicalism and, 368–9; intensification of, 474; psychology of, 601–2.
Clemenceau, Premier, 382.
Clifford, John, 664.
Coal Community, German, 595 n.
Coates, Zelda Kahan, *Life and Works of Friedrich Engels*, 157 n.
Cobbett, William, 103.
Cobden, 274, 665.
Coercion, ineffective, 533–4; *See also* Violence.
Cole, G. D. H., 237, 400–1; *Self Government in Industry*, cited and quoted, 401–2; *Guild Socialism*, 404 ff.; 645.
Coleridge, Samuel Taylor, 97–8, 244.
Collective insurance scheme, 625; *See also* Insurance.
Collective ownership, urged by Social Democratic Federation, 232; Wallas on, under socialism, 266–7; urge by German social democrats, 292; 350; 353; 671–4; *See also* Government ownership, Municipal ownership, Nationalization, Public ownership, Socialization.
Collectivist Society, 666.
Colonies, agricultural, 52; advocated by Cabet, 61; of Fourier, 74; *See also* Utopian socialism.
Colquhoun, Patrick, *Treatise of the Wealth, etc., of the British Empire*, 100.
Combinations, economy of, 251; *See also* Concentration.
Commissars, Council of People's, 495.
Commodity, value of, 203–10; *See also* Value, Labor, Theory of value.
Commune, Paris, 193, 288, 298, 351, 359, 491, 530, 531; *See also* Paris Commune.
Commune, proposed by guild socialists, 409, 410–17, 645.
Communication, nationalization of, 171.
Communism (early utopian communism), of guardians in Plato's Republic, 15–7; in family relations, 16; and peasants' revolt, 22, 25; in distribution, *Utopia*, 31; loses caste, 37; of *Christianopolis*, 42, 43; of *City of the Sun*, 44; 47; revival, 49; *Tribune of People*, first communist paper, 56; obstacles to, 90, 98; advocated by Owen, 113, 115; natural society communistic, 137; early utopian communism criticised by Marx, 155, 156.
Communism (as used by Marx), 161 ff., program of, 171; remuneration in, 195; revival in France, 350.
Communism (of Third International), syndicalism, 384; and guild socialism, 421; principles and tactics, 468–91; Communist Manifesto of 1919, 468–73; revolution by force, 473; the class state, 474; limitations of democracy, 474–8; technique of revolution, 478–9; ripeness for revolution, 479–82; proletarian dictatorship, 483–5; soviets, 485–6; socializing industry, 486–8; disappearance of state, 488–90; communist state, 490–1, criticism of, by socialists, 523–48; and cooperation, 646, 674, 681; *See also* Communists, Bolshevism, Russian Soviet Republic.
Communist League (Marxian), 159, 178, 180.
Communist Manifesto (1848), 149, 159, 160, 161–79; 200, 201, 203, 215, 227, 282, 297, 298, 434, 577, 656, 675, 679.
Communist Manifesto, Third International (1919), 468–73.
Communists (of Third Interna-

tional), activities in Russia, 443–548; in various other countries, 550–77; and cooperation, 646; *See also* Communism, Bolshevism, Russian Republic.
Community, control of industry, 584.
Compensation, for means of production, 235, 337–8, 422, 582–3, 585–9; *See also* Confiscation, Expropriation, Remuneration, Reward.
Competitive system, condemned by Blanc, 76; toward monopoly, Godwin, 127; waste of, 250, 550, 612, 659.
Complexes, of worker, 601–2.
Compromise, in Russia, 532.
Compulsory consumers' organizations, 642–5; *See also* Collective, Government, Public, State ownership and State socialism.
Comte, August, *Philosophy of Positivism*, 240, 244.
Concentration, 163, 186, 189; Bernstein criticises Marxian theory, 297, 301–5; Marxists' reply on concentration, 325–7; of land in Russia, 450.
Confiscation vs. Compensation, 337–8, 586; confiscation of lands in Czecho-Slovakia, 568; *See also* Expropriation, Compensation, Appropriation.
Connington, Professor, 657.
Conscientious withholding of efficiency, 612; *See also* Sabotage.
Conservatism, new, 610.
Conservative party of Germany, 279.
Conspiracy laws, against organizations, 220, 349.
Constitutional Assembly, 493; call for, 446, 452, 456; inferior to soviet, 464–5; 555, 556.
Constitutional democrats, 448, 455.
Consumer, participation in control, 432–3, 582, 591, 597, 599 n., 681–2; *See also* Control, Administration, Management.
Consumers' cooperative movement, 619–50; *See also* Cooperative movement.
Consumption, associated, 266.
Control, under socialized industry, 598; of cooperative societies, 626–7, 629, 641; *See also* Administration, Management.
Cooper, Thomas, 219.
Cooper, Walter, 659.
Cooperation, between capital and labor, urged by Owen, 120; with democratic forces, 173; and social morality, 264; *See also* Cooperative movement.
Cooperative League of America, 636, 642.
Cooperative movement, advocated by Cornelius, 52; Congress of 1832, 117; and trade unionism, 118; in Hertzka's Freeland, 142–3; praised by Marx, 186, 187; growth of, 221; importance of, 272–3; in Germany, 279, 283; preliminary to socialism, 311–12, 333; French, 349–50; in Russia, 487, 498, 500, 503, 504 n., 505, 508; British Labor party on, 551; Webb on, 581; DeMan on, 600; history of, 619–50, 658–61; *See also* Cooperation, Consumers' Cooperation, Self-governing workshops.
Cooperative party, 628.
Cooperative Union, 622–3.
Corn laws, 215–6.
Corporation, rise of, 248; and centralization, 326–7; corporation, non-profit, 514.
Cossacks, in Russian revolution, 451, 485.
Coup d'état, method of revolution, 194; Kautsky on, 335–6; engineered by Kapp, 390, 559; in Poland, 568; *See also* Austria, German, Hungarian, Russian revolutions.
Coventry, Joseph Squiers, 659.
Crampton, 242.
Crane, Walter, 233.
Crawford, W. H., *Girolamo Savonarola*, 9.

Creative instinct in industry, suppressed by wage system, 401; *See also* Motives, Incentives.
Credit, power, plan of Proudhon, 82; in communist program, 171; 307, 350; Douglas scheme, 422–33; cooperative societies, 638; *See also* Banking, Currency, Money.
Credit au Travail, 349–50.
Crises, commercial, mentioned by Godwin, 127; Marx's explanation, 164–5; Bernstein's criticism of Marx's theory, 303–7; Marxists answer Bernstein, 329–31, 600.
Croce, Benedetto, *Historical Materialism and the Economics of Karl Marx*, analysis of Marxian economics, 319–20 n.
Cromwell, Oliver, 49.
Crooks, William, M.P., 395.
Crowley, Robert, *Select Works*, cited, 37.
Cruz, Luis, 573.
Cuba, labor in, 574.
Currency, debasing of, 244.
Curtis, William, 131.
Czar of Russia, 108, 161, 442–3, 441, 445, 452–3.
Czecho-Slovakia, 485, 496, 560, 568–9, 576.

Dale, Miss, fiancée of Owen, 107.
Dana, Charles A., Fourierist, 128, 131.
Danaides, laboring class likened to, 128.
Darwin, Charles, 141, 196, 240, 244.
Dashinski, in Poland, 568.
Davidson, Thomas, 215, 234.
Davies, John L., *The Republic of Plato*, 12–18.
Dawson, W. H., *German Social Democracy and Ferdinand Lassalle*, 278–9, 283.
Dearmer, Rev. Percy, *Socialism and Christianity*, 665.
Debs, Eugene V., 571–2.
Decentralization favored, 316, 350; *See also* Autonomy; Socialization.
Declaration of Rights of Laboring and Exploited People in Russia, 493.
De Lamennais, 651–2; *The Words of a Believer*, 652.
de Laveleye, 664.
DeLeon, Daniel, 571.
Delessale, P., *Tempo Nouveaux*, 364.
De Lesseps, 67.
Dell, Robert, *Socialism and Personal Liberty*, 606 n.
de Maeztu, Señor Ramano, on functional principle, in *Authority, Liberty and Functions in the Light of the War*, 399.
De Man, Hendrik, *Zur Psychologie des Sozialismus*, 600–6.
Democracy, safeguards of, 51; and social reform, 229; brings socialism, 240, 248, 312–3; effect on revolution, 332; opposition to, 372–3; syndicalist criticism of, 376–7; in industry, 402; in the guild, 403–4; bourgeois, 470; and proletarian dictatorship, 485–6; advantages of, 524–5; defense by Kautsky, 536–8; spiritual value of, 580–1, 608; *See also* Democratic control.
Democratic control, Babeuf, 58; of industry, 339; in Russia, 494–5, 497, 509–10; in British Labor program, 551; proposal of Austrian socialists, 557 n.; in German plans, 558, 594–5; under cooperation, 626–7; under socialism, 674; *See also* Democracy; Control.
Democratic party, Germany, 279; Chili, 573.
Denmark, socialism in, 562–3, 576; cooperation in, 632.
Deutero-Isaiah, 6, 7.
de Mun, Albert, 663.
Deniken, 496.
de Paepe, Caesar, 351, 629.
de Seilbac, Leon, 355 n.
Despair, bolshevik theory philosophy of, 525.
De Tocqueville, 240.
Deutsch, Russian leader, 442, 453.

Dewey, John, *Human Nature and Conduct*, 599, 613.
Dickens, Charles, *David Copperfield*, 122 n.
Dictatorship of the Proletariat, mention of by Marx, 170, 195; antiquated, 513–4; urged by bolsheviks, 445, 480; in Soviet constitution, 494; obsolete phrase, 516; despotism and, 527; socialists on, 538–41; bureaucracy and, 539–41; German, 555; Mussolini, 566; *See also* Ruling Class, Aristocracy, Democracy.
Dictatorship by men of genius, in Weitling's writings, 133, 134; of the bourgeoisie, 486.
Diehl, Karl, 324.
Diggers, utopia, 49, 50.
Direct action, 370; and the guildsmen, 420–1.
Direct legislation, 313, 557; *See also* Initiative and Referendum.
Directorate of Industry, 597.
Directors of public corporations, 595.
Disappearance of the Middle Class; *See* Middle class.
Discipline of workers, 339.
Disfranchisement of bourgeoisie, 485; *See also* Suffrage.
Disraeli, Benjamin and suffrage, 222.
Distribution of Income, Fourier, 73; Charles Hall on, 99; analyzed by Colquhoun, 100; Hillquit on, 608; *See also* Equality, Inequality, Remuneration, Reward.
Distribution of power, 667.
Distributive business, under guild socialism, 407; nationalization of, 561.
Distributive state, 397.
Dividends in cooperatives, 621, 630, 642.
Donniges, Fräulein von, 286.
Dorsey, George A., *Why We Behave Like Human Beings*, 613.
Dostoievsky, Russian novelist, 443.
Douglas, Major C. H., credit control theory, 399, 422–30; *Credit-Power and Democracy*, 419–20, 425–7; *Economic Democracy*, 424.
Douglas, Paul H., *The Columbia Conserve Co.*, 613.
Drakoules, Dr., in Greece, 570.
Dreyfus affair, 365, 367.
Dühring, 305.
Duma, 447–51.
Dupont-White, Charles Brock, 669.
Dwight, John S., a Fourierist, 128–31.
Dynamic, society, 240.

Eastman, Max, *Since Lenin Died*, 515.
Ebert, President, 530, 554, 556, 558, 559.
Economic Interpretation of history, 196, 199–203; Bernstein's criticism of, 299–300; Croce's criticism of, 319–20.
Economic rent, theory of, 254 ff.
Economic rights, 609.
Economic scheme of ownership, 592–4.
Economists, criticism of, by Marx, 186; socialistic trend among, 246 ff.; criticism of, 610.
Education, in *Plato's Republic*, 13; in *Utopia*, 34; visual in *City of the Sun*, 45; free compulsory, 51; advocated by Babeuf, 58; in *Icaria*, 60; urged by Owen, 110, 114; by Greeley, 125; in Brook Farm, 130; Fabians on, 264; under socialism, 343; in Russia, 516–7; democracy and, 581; British labor on, 551; cooperation and, 622, 628, 630.
Efficiency, in *Christianapolis*, 42; in German cooperatives, 631–2; *See also* Administration.
Eight-hour law, 568; *See also* Hour of labor.
Eldridge, Seba, *Political Action*, 599.

Election of officers, in guilds, 403–4.
Electrification, of water power, 565.
Elizabeth, Queen, 38.
Eltzbacher, Paul, *Anarchism,* 355 n.
Ely, Richard T., *French and German Socialism,* cited, 58 n., 65 n., 80 n., 81, 85, 86 n., 652 n., 666 n., 670–1 n.
Emancipation, of labor urged, 232, 292; and of human race, 292; from increasing strength of workers, 334.
Emerson, Ralph Waldo, interview with Owen, 121; *in re* Brook Farm, 129.
Emperor, Austrian, abdicated, 560.
Employes, in cooperative movement, 646–50; *See also* Workers' Control, Wage-worker, Proletariat.
Employment, should be guaranteed, Owen, 111; Greeley, 125, 130; *See also* Unemployment.
Encroaching control, 417–8.
Encyclopaedists, 95.
Enfantin, follower of Saint-Simon, 67; Retreat, 68.
Engels, Friedrich, on Owen, 106; *Socialism, Utopian and Scientific,* 139–40; *Condition of Working Class in 1844,* 174, 216 n., 217 n., 220; *Feuerbach,* 152 n.; in *Communist Manifesto,* 178; in *Class Struggles in France,* 181, 182, 297, 301, 305, 309; life of, 156–7; letter to, 192; at funeral of Marx, 196; economic interpretation, 201, 202, 215, 216; Bernstein and, 296; looked forward to revolution in eighties, 322; reference to, 458, 468; on violent revolution, 530; 577.
Engineers, 611–2.
England. *See* Great Britain.
Entrepreneur, 249.
Equality, Babeuf's philosophy of, 57; Saint-Simon on, 66; Proudhon on, 80, 83, 85; Godwin on, 95; Owen on, 116; Brook Farm and, 130; of opportunity, 235; equal remuneration, 293; under guild socialism, 408; toward, 550–1; under socialism, 584; 601–2, 604, 667.
Erasmus, in favor of communism, 27.
Erfurt Program, 291 ff.
Esthonia, socialism in, 569.
Ethico-Religious utopias, 4–10.
Ethics and socialism, 320 n.; *See also* Moral basis of socialism; Christianity and socialism.
Eugenics, teaching of, in Plato's *Republic,* 16.
Evolution, gradual, 240; *See also* Gradualness.
Exploitation, increase of, 292; the Webbs on, 582–3; Kautsky on, 589; feeling of, 601–3; *See also* Labor theory of value.
Expropriation, 645; *See also* Confiscation, Compensation.
Extent of social ownership, in Russia, 503; of socialization, Laski, 583–5; *See also* Socialization.
Ezekiel, 6, 7.

Fabian Essays, 238–77.
Fabian socialism; forerunners of the Fabians, 215–27; principles of, 229–76; 679–80, 682; *See also* Fabian Society.
Fabian Society, 228–77; Labor party and, 393; guild socialism and, 401; strike and, 397–8; *See also* Fabian socialism.
Factory legislation, 189, 243, 249, 297–8.
Faith, need for, 605–6.
Fall of Man, teachings concerning, 23, 49.
Family, in Plato's *Republic,* 16; in *City of the Sun,* 44; in Digger's *Utopia,* 50; in Fourier's *Phalanx,* 73; *See also* Marriage.
Farbman, Michael, *After Lenin,* 512, 516, 518.

Fascism, 566–7, 634.
Farmer, *See* Agriculture.
Fawcett, Henry, on capitalist accumulation, 190, 223.
February Revolution of 1848 in France, 175.
Federalism, favored, 316.
Federated Engineering Societies, *Waste in Industry*, 608.
Fellowship for the Christian Social Order, 666.
Fellowship of Reconciliation, 666.
Female Reform Association, for suffrage, 103, 104.
Feudalism, 241, 601; *See also* in *Communist Manifesto, Fabian Essays.*
Feuerbach, influence on Marx, 200.
Fichte, studied by Marx, 150.
Field, *Guild Socialism*, 432 n.
Figgis, J. N., *Churches in the Modern State*, 398.
Finance—capital, 469, 552; 581; *See also* Credit-power.
Financiers, Veblen on, 611–2.
Finland, 458; revolution in, 530; socialism in, 564, 576; cooperation in, 636–7.
First International, 185, 192–4, 565; *See also* Internationalism.
Flocon, Ferdinand, 180.
Food requisitions, under soviets, 498–9.
Force, social progress and, 580, 605; *See also* Violence; Persuasion.
Foreign trade, in soviet union, 506.
Foster, William Z., 572.
Four-hour day, in *City of the Sun*, 45; *See also* Hours.
Fourier, Charles, Life and teachings, 69–74, 127–8, 132, 137 n., 141, 155, 240, 349, 659; *Theory of Universal Utility*, 71; *Treatise on Domestic and Agricultural Association*, 123.
France, revolutions in, 175–6, 349, 371, 458, 496, 576; syndicalism in, 348–72, 680; socialism in, 353 ff., 519, 553; troops of, 560–1; cooperation in, 633–4.
Franchise. *See* suffrage.
Franco-Prussian War, 192–3, 217, 288, 352.
Franklin Cooperative Creamery, 636.
Frederick IV, 278.
Freedom, cornerstone of modern utopia, 145; psychology of, 275; Bernstein on, 314–6; under socialism, 338; British labor on, 551; of speech and press, 555, 566–7; of social industry, 591; *See also* Free speech, Civil liberties, Liberty.
Free speech, 289, 293; under socialism, 336; granted, 447; by Provisional government, 455; in Russia, 513–20; by German Provisional Government, 555; under Fascisti, 566–7; *See also* Freedom; Censorship; Suppression.
Free trade, 217.
French revolutions, 54, 55, 95, 97, 101, 106, 174–5, 242, 348–9, 371, 656.
Froissart, *Collection des Chroniques*, quoted, 25.
Frugoni, Professor Emilis, 574.
Full product of toil, 602; *See also* Remuneration.
Fuller, Margaret, in Brook Farm, 129.
Functional, principle, 399, 402; society, 609–10.
Functionless ownership, 587; *See also* Private ownership, Capitalist.

Gapon, Father, 445.
General Confederation of Labor, 363–9.
General Strike, urged in 1833, 119; in France, 361–5, 373–5; a social myth, 379–8; communists on, 474; in Germany, 553–4, 558; in Santiago, 574; *See also* Strikes.
Geographical representation,

582–3; *See also* Representation.
George, Henry, *Progress and Poverty*, 232, 254–5, 260.
George, Lloyd, 396–7.
Georgi, *Theorie Praxis des Generalstreiks in der Modernen Arbeiterbewegung*, 361.
German social democracy, 278–320; *See also* Germany, Social democracy.
Germany, utopia of Andreae, 42–3; Marx in, 149–55; 1848 revolution, 178; Marx return, 180–1; Marx writes on revolution, 183–4; on Gotha program, 194–5; social democracy and revisionism, 278–320; Kautsky defends Marxism, 321–47; socialists in intervention by, 496; socialists in Zimmerwald Congress, 519; German revolution (1918), 530, 554–62; army in Finland, 564; referred to, 568, 576; socialization proposals in, 588–98; cooperation in, 631–2, 637–8; Christian socialism in, 663–4.
Gide, Charles, *Consumers' Cooperative Societies*, 628–30, 633, 637–8, 641.
Gladden, Washington, 666.
Gladstone, quoted by Marx, 190; on suffrage, 222, 232.
Gleason, Arthur, 598.
Godin, *Solutions Sociales*, 74 n.
Godwin, Parke, *Democracy, Pacific and Constructive*, 127, 129.
Godwin, William, *Enquiry Concerning Political Justice*, 95–7.
Gold, discovery of, 216.
Gonner, *Common Land and Enclosure*, cited, 25.
Gooch, *Democratic Ideas*, 50.
Gordin, Morris, *Utopia in Chains*, 515 n.
Gore, Bishop, 664.
Gorki, Maxim, 443.
Gosplan, *see* State Planning Commission, 502.
Gotha, Program, 194; Congress, 289.
Government ownership, 596, 643–5, 670–4; *See also* Collectivism, Public Ownership, State socialism.
Government in *Utopia*, 33; in *Christianopolis*, 43; in *City of the Sun*, 45; in Fourier's Phalanx, 73; Weitling's triumvirate, 134; under syndicalism, 375–6; under guild socialism, esp. 409–16; *See also* State, Soviets, Russian.
Government workshops of Blanc, 76–79.
Gradualness, policy of, Marx on, 188; Fabians and, 229, 240; despair of, 525; in Russia, 531–4; British labor on, 551; socialization, 557 n.; Laski on, 584; Kautsky on, 588–9, 682.
Gray, John, 53 n.
Great Britain, 22–6, early communism in; More and Bacon, 26–40; through the seventeenth century in, 47–53; Robert Owen and his Forerunners, 88–122; Marx in, 184 ff.; Forerunners of Fabians and Fabian group, 215–76; guild socialism and background, 393–436; Labor party in, 550–3; cooperation in, 619–29; Christian socialism in, 652–63.
Great contradiction, in Marxian theory of value, 324.
Greece, socialism in, 570.
Greeley, Horace, conversion to Fourierism, 123 ff.; dissociations, 124, 125; on slavery, 127; v.p. Fourieristic Assoc., 129.
Gregory XVI, 652.
Grévy, President, of France, 353.
Griffuelhes, V., 377.
Grotius, Hugo, and social contract theory, 47.
Grütli Union, in Switzerland, 565.
Guchtov, 459, 462.
Guesde, Jules, 353, 357–8, 361.
Guesdists, 362, 367, 368.
Guild of St. Matthew, 664.
Guild socialism, 393–436, 441;

cooperation and, 645–6; 680–2.
Guildsmen. *See* Guild Socialism.
Guillaume, James, *L'Internationale, Documents et Souvenirs,* 351.
Guizot, 161, 175.
Guthrie, W. B., *Socialism before the French Revolution,* 57 n.

Haase, Hugo, 554.
Haldane, Lord, 552.
Hall, Charles, *Effects of Civilization,* 99.
Hallsworth, Joseph, *The Working Life of Shop Assistants, Union by Industry,* 649.
Happiness, aim of society in Plato's *Republic,* 16; aim of *Utopia,* 34; Owen on, 108, 109, 116; *See* Motive.
Hardie, Andrew, 104.
Hardie, J. Keir, 104, 237, 393–5.
Hardy, Thomas, 101.
Hare, Archdeacon, 657.
Hargreaves, 242.
Harriman, Job, 571.
Harrington, James, *Oceana,* 50 ff.
Hartlib, Samuel, utopia of, 52 n.
Hatzfeldt, Countess von, defended by Lassalle, 281.
Hawthorne, Nathaniel, 129, 130.
Headham, Stewart D., 664.
Hegel, G. W. H., studied by Marx, 150; Hegelian dialectic, 151, 152; *Philosophy of Law,* 155, 201; influence on Marx, 200–1.
Heine, Heinrich, 185, 280.
Held, Adolph, 669.
Held, Felix E., tr. of *Christianopolis,* 42.
Heller, A. A., *Industrial Revival in Russia,* 496–8, 510.
Helps, Sir Arthur, 657.
Henderson, Arthur, 395, 552.
Heredity, Proudhon on, 86.
Herron, George D., 666.
Hertzka, Theodor, *Freeland—A Social Anticipation,* 142–3.
Hertzler, J. O., *The History of Utopian Thought,* 4–8, 12, 39, 51.
Hervé, Gustave, 378, 380, 384.
Herzen, 441.
Hilferding, 594.
Hillquit, Morris, *History of Socialism in the U. S.,* 123 n., 129 n., 130 n., 133; *From Marx to Lenin,* 523, 529–31, 542–3; on violence, 529–31; on communst tactics, 546, 571; on waste, 607–8; *Socialism Summed up,* 673–4.
Hindenburg, General, 559.
Hitze, Franze, 663.
Hobbes, Thomas, 48 ff, 398.
Hobson, John A., *Incentives in the New Industrial Order,* 599, 606–7; *Free Thought in the Social Science,* 606–7.
Hobson, S. G., leader of guildsmen, 400–1; *National Guilds and the State,* 411, 416–7, 422; civic sovereignty theory, 410; *Guild Principles in Peace and War,* 417.
Hochberg, Karl, 296.
Hocking, *Human Nature and Its Remaking,* 613 n.
Hohenzollerns, 663; *See also* Kaiser.
Holland, Marx on, 194; Socialism in, 564.
Horace, 21.
Horthy, Admiral, 562.
Hosea, teachings, 5.
Homes of the people, in *Utopia,* 32, in *Christianopolis,* 43; in *Icaria,* 59 ff; in phalanstery, proposed by Fourier, 72, 73; in Owen's Parallelograms, 113; urged by Greeley, 125; Wallas on, 266; under proletarian dictatorship, 488; in Russia, 517; *See also* Houses.
Hours of labor, four-hour day in *City of the Sun,* 45; seven hours, *Icaria,* 60; ten hours, Brook Farm, 130; for eight hour day, 293, 314, 558; *See also* Eight-hour day, Six-hour day.
Houses, nationalization of, in Hungary, 561; cooperative in Austria, 633; cooperative, 639–40.

Howell, William Dean, *Traveler from Altruria,* 142.
Husdon, W. H., *A Crystal Age,* 145.
Hué, Otto, on socialization, 558 n.
Hughes, Thomas, *Tom Brown's School Days,* 657; *Memoir of a Brother,* 660, 662.
Humanists, 136.
Humboldt, Wilhelm, on Lassalle, 280.
Hungary, Diet, 176; 1918 revolution, 530; soviets in, 560–2.
Hunter, Robert, *Violence and the Labor Movement,* 356 n.; *Socialists at Work,* 672.
Huysmans, Camile, 563.
Hyndman, Henry, *England for All,* 231 ff.; *Record of an Adventurous Life,* 231; *Socialism Made Plain,* 232; Marxist, 321.
Hythloday, Raphael, in More's *Utopia,* 28 ff.

Icaria, the Voyage to, by Cabet, 59 ff.
Idle class, disappearance of, 235; *See also,* Equality.
Iglesias, Pablo, 569.
Iglesias, Santiago, 574.
Immediate steps in social program, 252, 293, 316.
Imminent change expected, by Fourier, 74.
Imperialism, 469, 519, 551.
Incentive, to action, in *City of the Sun,* 44; in Greeley's Associations, 125; in Hertzka's *Freeland,* 143; Besant on incentives under socialism, 267–9; 338–40, 590, 593, 606; under guild socialism, 405; in cooperative movement, 641; *See also* Remuneration.
Income tax, 171.
Increasing misery theory, 168–9, 186, 189–90, 334, 469, 600.
Independent Labor party, of Great Britain, 276, 394, 519, 528.
Independent political action, Fabians for, 276, 284.
Independent socialists of Germany, 554, 556–8.
India, 216, 262; cooperation in, 635.
Individualism, defects of, 102, 243–4; and socialism, 262; leading to cooperation, 264–5.
Individualist—anarchists, 356 n.; *See also,* Anarchism.
Industrialism, 610.
Industrial organization necessary, 434; representation, 494; *See also* Control.
Industrial parliament, 583.
Industrial and Provident Societies Act, 221.
Industrial revolution, 91; aftermath, 101; violence of, 191, 241–2.
Industrial Workers of the World, 384, 417.
Inequality in capacity, Blanc, 77–8; of remuneration, 590, 608; *See also* Equality, Remuneration, Reward.
Inevitability of socialism, 600.
Inferiority complex, 601–4.
Inheritance, abolished, Babeuf, 58; tax, 94; in communist program, 171; Kautsky on, 336.
Initiative and referendum, 557.
Insurance, cooperative, 625, 630, 638.
Intellectual production under socialism, 343.
Intellectuals, criticism of, 54; syndicalism and, 387; repression of, 447; in Russia, 441–3.
Intelligentsia. *See* Intellectuals.
Interest, 83, 208, 250.
International Cooperative Alliance, 634.
International, First, Blanc's opposition to, 16; Marx's address before, 185, 222; in France, 350–1; in Spain, 569; *See also* First International.
International, Second, 518–9; *See also* Second International.
International Committee for Political Prisoners, *Letters from Russian Prisoners,* 515; *Fascist Dictatorship,* 567.

International League, in South Africa, 575.
International organization and socialism, 612–13.
International Socialist Bureau, 564, 580.
International struggle, of workers, 168, 170; position of Fabians, 272–3; of Lassalle and Liebknecht groups, 288, 293; syndicalists and, 372–3; *See also Communist Manifesto*, International, State.
International Socialist Congress, 274.
International Workingmen's Association. *See* International, First.
Ireland, protest regarding, 232; Irish Home Rule act, 396; Labor party in, 569.
Iron law of wages, 195, 254.
Isaiah, teachings, 5.
Italy, anarchism in, 356; syndicalism in, 371, 384; socialists represented at Zimmerwald, 519; socialism in, 565–6; Fascism in, 565–7 n.; cooperation in, 634.

Japan, Russian struggle with, 445, 496; socialism in, 575; cooperation in, 635.
Jaurés, Jean, 321, 359, 367, 553.
Jeremiah, 6.
Jesus, social teachings of, 8, 665; *See also* Christian socialism.
Jevon, theory of marginal utility, 254.
John, the Apostle, vision of New Jerusalem, 7; cited, 8.
Jones, Bishop Paul, 667.
Joad, C. E. M., *Introduction to Modern Political Theory*, 610 n.
Joy in work, 602; *See also* Incentive, Motive.
Joseph, Archduke, 561.
Josephus, cited, 21.
Jugo-Slavia, 576.
Jus gentium, 22.
Jus naturale, doctrine of, 22, 23, 136.
Justice, what constitutes, in Plato's *Republic*, 17; Godwin on, 96.
Justinian, 398.
Juvenal, *Satires*, cited, 21.

Kaiser, abdication of, 530, 554.
Kaledinites, 465.
Kalnin, Paul, 569.
Kamenev, Leo, *Dictatorship of the Proletariat*, 485, 497, 548.
Kampffmeyer, Paul, *Changes in the Theory and Tactics of the Social Democracy*, cited, 288 n.
Kant, studied by Marx, 150.
Kapp, rebellion, 390, 559.
Karolyi, Count, 530, 560.
Kaufmann, *Contemporary Review*, 664.
Kautsky, Karl, *Dictatorship of the Proletariat*, 194 n., 531 n., 537, 540–1; on revisionism, 297; *Social Revolution*, 321 n., 335–47; *The Labor Revolution*, 323, 588–94; on concentration, 326; on reform vs. revolution, 331; on reforms, 332–3; *Roads to Power*, 332 n.; on *coup d'état*, 335–6; on socialization, 336; on confiscation vs. compensation, 337; on incentives, 338; on money under socialism, 339; on socialization, 554–5, 557, 588–94; criticism of economic scheme, 592–3.
Kelly, Edmond, *Twentieth Century Socialism*, 675.
Kentish rebellion, 25.
Kerensky, Alexander, government, 450, 453, 455, 462–4, 515, 632.
Ketteler, Baron von, 663.
Keynes, J. M., *Laissez-Faire and Communism*, 521, 606 n.
Kienthal, Conference in, 519.
King, William, pioneer cooperator, 620.
Kingdom of God, predicted by Isaiah, 5; by Jeremiah, 6; by Deutero-Isaiah, 7; *See also* Christian Socialism.

Kingsley, Charles, 226, 244, 652 ff., *Letters and Memories of his Life*, 654–5; *A Mad World, My Masters*, 655; *New Miscellanies*, 655; *Cheap Clothes and Nasty, Alton Locke*, 658 n.; *Saints' Tragedy, Yeast, Alton Locke*, 661; 668, 681.
Kirkup, Thomas, *History of Socialism*, cited, 86 n., 290.
Knowledge, will lead to change, 137; necessary to workers, 187.
Kolchak, 496.
Kollontay, Madame, 463.
Kolping, Adolph, 663.
Kornilov, revolt of, 463.
Kronstadt, revolt, 498.
Kropotkin, P., *Conquest of Bread*, 355 n.; 356, 443.
Kropotkin, Prince, relative of Peter, 442.
Kun, Bela, 560.
Kuomintang party, 576.

Label, 370.
Labor, attractiveness, 57 n.; should be guaranteed, Saint-Simon, 64; Blanc, 75; Greeley, 124–5; joy in, under Fourier's Phalanx, 72; entitled to full product, 83, 124–5; not basis of private property, 84; compulsory in Owen's colonies, 114; doomed to misery, Godwin, 128; labor power, 206, 257; source of wealth, 232; income of, income under socialism, 259; incentives to, 337–40; obligation to, under soviets, 493; source of wealth, 607.
Labor combinations, for legalization, 293.
Labor exchanges, established by Owen, 117, 118.
Labor legislation, Owen's campaign for, 111; Engels on effect of, 218, 220; demand of social democrats, 293; in France, 365–6; in Germany, 555–6; *See also*, Factory legislation, Hours of labor, Social insurance, Reform.
Labor majority, 535.
Labor and the New Social Order, 550–2.
Labor notes, Owen advocates, 115; under guild socialism, 410.
Labor party, Russian, 449; Belgian, 563, 630; Canadian, 572; Australian, 574; Irish, 569; Mexican, 573; New Zealand, 575; Norwegian, 563; South African, 575–6; British, *See* British Labor party.
Labor Representation Committee, 393–4.
Labor Research Department, 236.
Labor theory of value, John Locke, 48; Bellers, 53; Proudhon, 81, 84, 203–10, 254; mentioned by Shaw, 257; criticism of, 300–2, 319–20, 600; defense of, 322–5; *See also* Value.
Labriola, 565.
Lafargue, Paul, 185, 569.
La Follette, Robert M., 572.
Lagardelle, M., Hubert, 378, 381.
Laidler, *Socialism in Thought and Action*, 608 n.; *British Cooperative Movement*, 622 n.
Laissez-faire, 243, 253, 655.
Lambeth Conference of Anglican Bishops, 430.
Land, equitable distribution advocated by Ezekiel, 6, 7; distribution of, 51; in Russia, 455, 463, 532–3, 546; unearned increment, 52; monopoly, 94; nationalization of, 100, 235, 593; to be returned to people, 104; Greeley on 124; communist program, 171; concentration in, 186; organization of land reform society, 223; Fabians on, 260–2; socialization of, 557, 561; owned by cooperatives, 624.
Land Tenure Reform Association, 223.
Laski, Harold J., estimate of

Communist Manifesto, in *Karl Marx: An Essay,* 174, 197, 525 n.; *Grammar of Politics,* 583–8.
Lassalle, Ferdinand, 194–5, 254, 274; life, works, teaching, 278–94; early life, 280; *Philosophy of Heraclitus the Obscure, The System of Acquired Rights,* cited, 281; champions Countess Hatzfeldt; meets Marx, 282; at head of Universal German workingmen's association, 284; triumphal march, 285; death, 286.
Latimer, Bishop, leniency for peasants, 38.
Latin America, socialism in, 572–4.
Latvia, socialism in, 569.
Lavrov, Peter, 441.
Lavy, A., *L'Oeuvre de Millerand,* 366.
Lenin, Nicholai, on state, 412; founder of Moscow group, 443; organizes bolsheviks, 444; in world war, 451; leader of bolsheviks, 454; life of, 456–9; opposes Kerensky, 462; on revolution crises, 481; on equal pay, 590; on new economic policy, 498–504; on trade unions, 511; in Zimmerwald conference, 519; *Development of Capitalism in Russia,* 457; *The State and Revolution,* 474, 478 n., 483, 488, 490, 491; *Soviets at Work,* 483, 484, 486; *The Proletarian Revolution,* 465 n., 468, 483, 485, 486, 491; *Left Wing Communism,* 484.
Leo XIII, Encyclical of Labor, 667.
League for Industrial Democracy, 608 n., 610.
League of the Just, 158, 159.
League of Nations, bolsheviks on, 470.
League of Workingmen's Association, 287.
Ledebour, 554.
Lederer, Professor, 594.
Legal methods, advocated by Engels, 182; *See also* Peaceful methods; Violence.
Legislative activity vs. revolution, 317; *See also* Parliament, Legal methods; Peaceful methods.
Legislature, two chamber, 51.
Leipzig Workingmen's Association, 280, 283.
Leslie, Cliffe, 223.
Levine, Isaac Don, *The Man Lenin,* 459 n.
Levine, Louis, cited and quoted, in *Syndicalism in France,* 349–81.
L'Humanité, 553.
Liberalism, relation to socialism, 314–5.
Liberals in Great Britain, 553; Denmark, 562; in Belgium, 563.
Liberty, 235, to oppress, 244; *See also* Freedom.
Liebknecht, Karl, 554, 556.
Liebknecht, William, 196, 286–8, 294.
Lilly, *Renaissance Types,* cited, 27.
Lincoln, Abraham, 480, 604.
Lippmann, Walter, *Preface to Politics, Drift and Mastery, Public Opinion,* 599.
Lithuania, 443, 570.
Little, G. A., *Gray Friars of Oxford,* cited, 23.
Little Englandism, 275.
Locke, and labor theory of value, 48 ff.; *On Civil Government,* 92.
Lockwood, George B., *The New Harmony Movement,* 106 n., 108 n., 112 n., 117 n., 120 n., 121 n.
London Corresponding Society, 101.
London School of Economics, 236 n.
Longuet, Charles, 185.
Louis Philippe, abdicates, 175.
Love of money, 666; *See also* Money, Motive, Incentive.
Lowell, James Russell, 131.

Luddites, destroyers of machinery, 103.
Ludlow, John M., 656, 658, 660, 661 n.
Lueger, Karl, 663.
Lupton, J. H., Introduction to *Utopia*, 28.
Luxemburg, Rosa, on credit, 307; in Poland, 568; in revolution, 554; killed, 556.
Lvov, 455.

Macdonald, Alex., M.P., 222.
MacDonald, J. Ramsay, cabinet, 236 n., 237; *Syndicalism*, 388, 390, 393; on Labor Representation Committee, 394–5; on guild socialism, in *Socialism, Critical and Constructive*, 434–6, 583; in *Dictatorship and Revolution*, 540 n., 542, 544; premier, 552–3.
Machinery, destruction of, 103; effect of, on unemployment, 113; revolutionary effect, 189.
MacIver, R. M., *The Modern State*, cited and quoted, 432 n.
Mackaye, James, *Americanized Socialism*, 612.
MacMahon, President of France, 353.
Maine, *Ancient Law*, cited, 22.
Maison du Peuple, 630.
Majority, cannot convince, 479–80; *See also* Democracy, Dictatorship.
Majority socialists, Germany, 554–5; *See also* Germany, socialism in.
Malay States, Federated, cooperation in, 635.
Malon, 359.
Malthus, doctrine of, 89, 90, 92; *See also* Overpopulation.
Mammon of capitalism, 658, 667.
Managers, functions of, 250, under guild regime, 405–6; under proletarian dictatorship, 487–8; German socialization committee, 595; appointed, 598; *See also* Control, Administration.
Management, workers' share in, 585. *See* Administration, Control.
Manchester School, attack on, 655, 672.
Mandeville, Bernard, *Fable of the Bees*, 53 n.
Market, develops world character, 164.
Market price, 205–6.
Marriage, in *New Atlantis*, 40; in Digger's utopia, 50; Morelly's scheme, 57; monogamous, in *Icaria*, 60; *See also* Family.
Martov, Russian leader, 443–4, 458.
Marx, Presidential candidate against Hindenburg, 559.
Marx, Karl Heinrich and Marxian socialism, 149 ff.; life of Marx, 149 ff.; at the university, 150; becomes Hegelian, 151; *Holy Family*, 151, 156, 158; receives doctorate, 153; writes on Democritus and Epicurus, studies economics, 153; becomes socialist, edited *Rheinsche Zeitung*, 154; *Critique of Political Economy*, 154 n., 185, 201, 204; edits Franco-German Year Books, 155; meets Engels, 156; leaves France, 158; writes *Condition of Working Class in England in 1844*, 156 n.; later career, 180 ff.; in France and Germany, 180, 181; on revolutions of 1848–50, 183; life in London, 184, 185; the sixties, his family, 185; address to First International, 185–7; *Capital*, 187, 200–1; increasing misery theory, 189; attacks Gotha program, 194; last days, 195; burial, 196; appraisal of life, 196, 197; *Class Struggles in France*, 181 n., 182 n., 183 n.; *Eighteenth Brumaire of Louis Bonaparte*, 183; *Revolution and Counter-revolution*, 183; *Value, Price and Profit*, 187, 204–10; predicts sudden revolution, 192; *Civil War in*

France, 193 n.; revolutions differ in various countries, 194; economic interpretation of history, 200, 203; *Poverty of Philosophy, cited,* 158, 200; class struggle theory, 203; theory of value, 203–10; Fabianism and, 230–1; Hyndman and, 231; Shaw on, 254, 259 n.; Fabians and, 274; Lassalle and, 282; attitude toward Commune, 298; Bernstein on theories of, 295–320; followers defend, 321–47; in International, 350; Guesde and, 353; and class struggle, 369; Sorel and, 378, 380–1; guild socialism and, 400; state and, 412; modification, 434; Mensheviks and, 453–4; intellectuals and, 457; Lenin and, 458; bolshevism and, 468, 480, 490–1, 540 n.; democracy and, 475; Bakunin and, 529–30; parties of, 564–5, 558 n., 577; equal pay advocated by, 590; DeMan on, 600 ff.; 678–80.
Marx, Eleanor, daughter of Marx, 185, 233.
Marxian socialism, *See* Marx, Karl.
Marxism, *See* Marx, Karl.
Marxist, *See* Marx, Karl.
Masaryk, T. G., 321, 568.
Massingham, H. W., 237.
Materialist conception of history, *See* economic interpretation of history.
Matteotti, assassination of, 567.
Matthew, the Apostle, cited, 8.
Maurice, Frederick Denison, 226, 244, 652 ff.; *Life,* 654 n.; *Politics of the People,* 657; *Life of Maurice,* 659–60; 668.
Max, Prince, 554.
Maximalists, Russian, 453.
Maximum workday, 130; *See also* Hours of Work, Eight-Hour day.
Mazzini, 274.
Mechanization of workers, 600.
Medicis family, 8.
Medium of Exchange, Owen attacks, 115; *See also* Credit-Power, Money.
Mehring, Franz, *Collected Works and Literary Remains of Marx and Engels,* cited 151 n., 554.
Mensheviks, organization of, 443–4; teachings, 453–4.
Mercer, T. W., 620 n.
Metternich, 161, 175.
Mexico, 573, 576.
Mezentseff, General, 442.
Michael, Grand Duke, 452.
Middle classes, reduced, Godwin, 127; disappearance of, 166; influence of American revolution on, 188; supersede aristocracy, 242; failure to disappear, 303; new middle class, 327–9; communists on, 475–6 *See also* Disappearance of Middle Class.
Militant minority, 524; *See also* Dictatorship, Democracy.
Militarism, abolition urged, 336, 384, 469, 552.
Military Communism, period of, in Russia, 496–7.
Mill, John Stuart, *The French Revolution of 1848 and Its Assailants,* cited, 75 n.; inclines toward socialism, 222–6; *Principles of Political Economy,* 223; *Programme of the Land Tenure Reform Association,* 224; *Autobiography,* 225; 233, 241, 244, 246, 260, 275.
Millerand, 359, 366–8, 385.
Miliukov, 455–6, 459, 462.
Minimalists, 453.
Minimum, national, by British labor, 551.
Minimum wage, advocated by Cabet, 60; *See also* Wage system.
Mining industry, German, nationalization of, 595; in America, 598–9; *See also* Socialization.
Minority, militant, 376, 478; *See also* Dictatorship, Democracy.
Miscellaneous socialisms, 651–75.
Misery, materialistic effect; Blanc, 79; *See also* Increasing misery theory.
Mitchell, T. W. T., 629.

Modern utopians, 140 ff.
Money, in *Utopia*, 31 ff.; under socialism, 339–40; *See also* Credit-power, Labor notes.
Monfang, C. J., 663.
Monopoly, trend toward, Godwin, 127; price and, 206; British monopoly breaks down, 217; workers shared in benefit of, 219; of means of production, 235, 250, 292; of guild, 403; trade unions and, 418.
Moral basis of socialism, 262–5, 320, 605; *See also* Christian socialism.
More, Sir Thomas, *Utopia*, 20 ff, 26, 27 ff, 43–4, 59, 240.
Morelly, Abbe, *Code de la Nature*, life, 57.
Morley, Henry, *Ideal Commonwealths*, 39, 40, 44–5.
Morones, Leon, 573.
Morris, William, *News from Nowhere, Signs of Change, Dream of John Ball*, life, 143–4; member S.D.F., 233; 397, 399, 400.
Morrison, editor of the *Pioneer*, 119.
Motives new, in industry, 602–3, 605; profit, 611; *See also* Profit motive; Incentive.
Mumford, Lewis, *The Story of Utopias*, cited and quoted, 20.
Municipal ownership, 55, 273, 582, 642, 673; *See also* Collectivism, Public ownership.
Muromitzev, Professor, funeral of, 450.
Mussolini, 566–7; *See also* Fascism.
Mutual insurance, 638–9; *See also* Insurance.
Mutuellistes, 350.
Myers, James, *Representative Government in Industry*, 613.

Napoleon, 288, 290.
National Bank, Proudhon's plans, 83; in Russia, 498; *See* Banking, Credit Power.
National Confederation of Associations (Fourieristic), 129.
National debt, 586.
National Federation of Syndicats, 360, 362–3.
National Guilds League, 401, 430; *See also* Guild socialism.
National-Liberals of Germany, 279.
National Regeneration Society, organized by Owen, 120.
National Workshops, of Blanc, 177, 349; *See also* Blanc.
Nationality, 411.
Nationalist party of China, 576.
Nationalistic outlook, Lassalle, 288.
Nationalization, favored by Chamberlen, gradual, 51; by Babeuf, 57; of land, by Charles Hall, 100; progress toward, 244–6; 267; industries prepared for, 337; syndicalists on, 390; guildsmen's attitude to, 419; under soviets, 493–4; Russian, 496–7; decree of July, 1921, 499; in Hungary, 561; by British Labor, 551; Laski's program of, 583–5; committee, German, 595 n.; vs. socialization, 596; cooperators and, 645; *See also* Socialization, Collectivism, Public Ownership, State socialism.
Natural, law, 54, 94, 98, 100; rights, in *Communist Manifesto*, 174; state, 44, 88, 89, 124, 137 ff.; *See also Jus naturale.*
Nature, *See* natural law, etc.
Natural price, 205–6.
Natural state, *See* natural law, etc.; *Jus Naturale.*
Natural resources, socialization of, 557, 674; *See also* Nationalization, Socialization.
Naumann, Friedrich, 664.
Neale, E. Vansittart, 662.
Nearing, Scott, *Glimpses of the Soviet Republic*, 512 n., 517–8, 527; *The Next Step*, 613 n.
Needs, reward according to, 57, 78, 490; *See also* Equality, Remuneration, Rewards, Incentive.
Negroes, 480.

Netherlands, *See* Holland.
Neurath, Dr. Otto, 592–3; *Wesen und Weg Zur Sozialisierung*, 592 n.
New Economic Policy, in Russia, 498 ff.; 512, 520.
New Harmony Colony, 116.
New Lanark, transformed by Owen, 107, 108.
New South Wales, socialism in, 574.
New Zealand, socialism in, 575; cooperation in, 635.
Nicholas II, 447.
Nihilists, Russia, 439.
Non-profit incentives, 268–9; *See also* Incentives.
Non-violent methods, of German social democracy, 290; revolution, advantage of, 523–36; *See also* Peaceful methods, Persuasion.
Nordhoff, Charles, quoted, 132, 133.
North American Phalanx, 131 ff.
Norway, socialism in, 563.
November Revolution, bolshevik, 463–5.
Noyes, *History of American Socialisms*, 74 n.

O'Connor, 656.
Occupation theory of property, 84.
Occupational representation, 494, 542, 582; *See also* Geographical representation; Representation.
Octobrists, 455.
Offenheim, Herr, 669.
Ogilvie, William, 92; doctrine of land improvements, 94; *Essay on the Right of Property in Land*, 94–5.
Old age pensions, 384, 568, 630; *See also* Insurance.
Olivier, Sidney, 237, 239, 262–5, 552.
Oman, C. W. C., *Great Revolt of 1381*, cited, 24.
Oppenheimer, Franz, 321.
Opportunism, 468, 469, 472–3.
Orage, A. R., 401, 420; *An Alphabet of Economics*, 403 n.
Organization, of workers, 166.
Organizers, remuneration, 590; *See also* Managers, Technicians.
Over-population, doctrine of, 90; *See also* Malthus.
Overproduction, 306; *See also* Crises.
Owen, Robert, 53 n.; forerunners of, 88–105; life and teachings, 106–22; *Book of the New Moral World*, 109, 116, 659; *Essays on Principle of Formation of Human Character*, 111; 123, 132, 135, 230, 232, 240.

Pacifism, bourgeois, 519; *See also* Internationalism.
Paine, Thomas, 92; *Rights of Man*, 94–95.
Palestine, cooperation in, 635.
Paley, Archbishop William, indictment of private property, 90; *Moral and Political Philosophy*, 91 n.
Palgrave, Inglis, 217.
Pantisocracy, 98.
Parallelograms, Owen's, 113.
Paris Commune, 193, 530; *See also* Commune of Paris.
Parliamentary action. *See* Parliamentary democracy.
Parliamentary democracy, 331–2; syndicalists on, 355, 366; industrial action and, 385–6; guild socialism and, 412–3; Lenin's attacks on, 458; communist criticism of, 470–1, 473–4, 476–8; contrasted with soviet representation, 494; defense of, 525–9; modification of, 542–4; two chamber parliament, 581; unilateral legislature, 587; *See also* Political action.
Paradox, a utopian writing, 47.
Parti Ouvrier Français, 357, 360, 363–4.
Parti Ouvrier Socialiste Révolutionaire Français, 357–8.
Parti Socialiste de France, 368.
Parti Socialiste Français, 368.

Paton, J. M., 399.
Patriotism, 170.
Peabody, Elizabeth D., 129.
Peace Conference, 561.
Peaceful change, 229, 241, 331–2, 350; *See also* non-violent methods; Persuasion; Gradualness.
Peasants, revolt and communism, 22, 23; defeat of, 37; balance of power in democracy, 475–6; growing power in Russia, 516; dictatorship and, 540.
Pease, Edward, *History of the Fabian Society*, 234 n., 255, 394.
Peel, Robert, 112.
Pelloutier, Fernand, 364; *Histoire des Bourses du Travail;* cited, 379 n.
Pelloutier, Maurice, *F. Pelloutier, Sa Vie*, 364.
Penty, A. J., 399; *Restoration of the Guild System*, 400; 431.
Permeation, Fabian policy of, 276; *See also* Gradualness.
Perovskaia, Sophia, Russian revolutionist, 442.
Personal element in industry, 246.
Personality, development of, Godwin's aim, 96, 401; aim of democracy, 580; *See also* Incentives, Motives.
Persuasion, 65, 544, 580; *See also* Non-violent methods; Peaceful methods.
Pethick-Lawrence, 237.
Petty, William, 204.
Phalanx, Fourier, 72 ff., Proudhon, 81; in America, 129, 234.
Philosophy, must rule, Weitling, 134; *See* Dictatorship.
Pilsudski, 568.
Plato, *The Republic*, 11–19, 20 n., 23, 26–7, 44, 240.
Platten, Fritz, 468.
Pleasure, end of aspiration, 57; *See also* Happiness.
Plekhanov, 453, 457–8.
Podmore, Frank, *Robert Owen*, cited, 110, 114.
Poland, insurrection in, 222; schools suppressed, 449; war against Russia, 496; socialists in, 519, 567; Legion of, 568.
Political Action, favored by Marx, 192, 270, 276, 293; defense of, 336–7; criticism of by syndicalists, 372; guildsmen's attitude towards, 416–7; cooperators and, 627–8; *See also* Parliamentary democracy; Revisionism, Fabianism.
Political power of workers, 187.
Political prisoners, demand release of, 446; amnesty in Russia, 448, 514–16.
Political rights, to useful workers, Babeuf, 58.
Poor, 190; *See also* Increasing misery theory; Poverty.
Poor laws, Committee on, 113.
Pope, *Essay on Man*, 88, 89.
Pope Innocent, 398.
Pope Leo XII, 652.
Porto Rico, socialism in, 574.
Portugal, socialist movement, 569.
Post, N. Y., 127, 142.
Postgate, *The Bolshevik Theory*, 468 n., 473, 480 n.
Potter, Beatrice, *See* Webb.
Pouget, Emile, 377–8.
Poverty, evil of, 12; in *City of the Sun*, 44; not result of idleness, 53; 99; of workers, 334; *See also* Poor, Misery, Increasing Misery theory.
Power, retention of, 539–40.
Preparation for socialism, 309.
Price, distinguished from value, 205–6.
Price-fixing, 428.
Private property, evil of, 29; and control, 51; Proudhon on, 81, 84–5; indictment of, by Wallace and Paley, 90; attacked by Godwin, 95; Southey on, 102; Owen for abolition, 116; Mill on, 223, 224; regulated, limited and superseded, 239; 244–6; incompatible with industrial development, 292; under soviets, 493–4; *See also* Property, Capitalism.
Private trading, in Russia, 498.
Producers' control, 432–3, 682;

See also Workers' Control; Democratic control, Control, Producers' Cooperation.
Producer, nobility of, 45.
Producers' cooperation, failure of, 311; 646–7; *See also* Self-governing workshops.
Productive power, increasing, 258.
Productivity, increase needed under socialism, 340; in Russia, 508–9; 608.
Professions, under guild socialism, 409; *See also* Managers, Technicians.
Professorial socialism, 669; *See also* Socialism of the chair, State socialism.
Profit, how made, 207–8; rate of, 209.
Profit motive, 268–9, 611; in cooperative movement, 629, 641; *See also* Incentive; Motives in industry.
Progressist party of Germany, 279–80.
Proletariat, 51, 256, 292, 476–8, 576, 603.
Proletarization, of middle and capitalist classes, 167.
Propaganda of the deed, Diggers, 50; *See also* Terrorism, Direct action.
Property, result of human labor, 102; under socialism, 265; *See also* Private property; Socialization.
Prophets, Old Testament, 3–10.
Proportional representation, 313.
Protestantism, German, 664; *See also* Church, Christian socialism.
Proudhon, Pierre-Joseph, life and teachings, 80–6; *Qu'est-ce que la Propriété?* 81; *Système des Contradictions Economiques ou Philosophie de la Misère*, 82; *Œuvres Complètes*, 84, 155, and First International, 192, 254, 274, 315, 350; *de la Capacité Politique des Classes Ouvrières*, 350, 356, 538.
Provisional government, Russia, 455–6, 462–3; Germany, 555.
Psychology and the class struggle, 601.
Psychology of freedom, 275.
Psychological approach to socialism, 599–606.
Public ownership, 52, 670–4; *See also* Collectivism, Government ownership, State socialism.
Public schools, in communist program, 172.

Queensland, socialism in, 574.
Quelch, Harry, 233, 394.

Radek, *The Development of Socialism from Science to Practice*, 478–9, 481.
Raiffeisen, Fred. W. H., 637.
Rakovsky, 468.
Rappist community, 116.
Rathenau, 595 n.
Rational socialists, name given to utopian socialists, 138.
Rationalists, 136.
Rauschenbusch, Walter, *Christianity and the Social Crisis, Christianizing the Social Order*, 666–7.
Raushenbush, H. S., *The Anthracite Question*, cited, 599 n.; *The People's Fight for Coal and Power*, 599 n.
Raw materials, socialization of, 557.
Raymond, Henry J., debate with Greeley, 124–5.
Reason, future belonged to, 115.
Reckitt and Bechhofer, *The Meaning of National Guilds*, 399, 400 n.
Recreation, in Brook Farm, 130.
Red Army, 533.
Redfern, Percy, *The Story of the Cooperative Wholesale Society*, 648.
Reed, John, *Ten Days that Shook the World*, 530.
Referendum, 557; *See also* Initiative, Direct legislation.
Reform League, 222.
Reformists, 605.
Reform law, of 1867, 222.
Reform vs. revolution, 331, 366;

wrested by direct action, 373; tendencies of second International, 472–3.
Regulation, 252–3, 246–71.
Religion, prophets of, 3–9; social progress and, communism and, 23–5; Saint-Simon, 65; Archbishop Paley, 90–1; of happiness, 109; Owen attacks, 114; Economic forces and, 202; Christian socialists, 651–69; *See also* Moral basis of socialism.
Remuneration to labor, according to needs, 57, 78, 96, 490; according to deed, by Saint-Simon, 66; Fourier's plan, 73; in Greeley's Associations, 125; equality of, Babeuf, 58, in Brook Farm, 130, under proletarian dictatorship, 483; in No. American Phalanx, highest wage for hardest and skilled work, 131; 251; *See also* Rewards.
Renard, M., 382–3.
Renner, Dr., 560.
Rent, 208; Mill on, 223; based on monopoly, 250; private appropriation leads to injustice, 255; *See also* Land.
Representative government, guildsman critises, 412–13; 542–3; *See also* Occupational representation, Geographical representation, Parliamentary democracy.
Repressive legislation, 103, 105, 289; *See also* Civil liberties, Anti-socialist legislation.
Republicanism, of Harrington, 50 ff.
Republicans, in Spain, 569.
Responsibility with freedom, 314–5.
Revisionism, 295–320; answers to revisionists, 321–47; revisionists of the left, 378; DeMan and, 600–4; 679–80; 682.
Revolution, predicted by Southey, 102; by *Edinburgh Review*, 103; by Morrison, 119; Marx, 180, 181; Engels denounces "barricade" revolutions, 182; failure of revolution not due to one man, Marx, 183; *Coup d'état* method difficult of success, 183; Marx on German revolution of 1848, 184; Marx regarded revolution as imminent, 192; possibly peaceful in England and United States, 194; expansion of British industry postpones revolution, 216; democracy and, 229–30; Fabians and, 230; less speedy than Marx predicted, 297, 321–2; legislation and, 317; Kautsky on complicated character of, 322; reform vs., 331; democracy and, 332; general strike and, 388–9; should be hastened slowly (Cole), 421; French, of 1848; 82, 174 ff.; Russian, 441–548; German, 183–4, 554–60; Hungarian, 560–2; Immediacy of, 660; *See also* Imminent change, French revolution, Industrial revolution.
Reward of labor, under guild socialism, 401–2; 641; *See also* Remuneration, Incentive.
Reybaud, Louis, *Études sur les Réformateurs*, cited, 57, 63 n., 67, 158 n.
Ricardo, David, theory of value, 100 ff., 204, 254, 260, 283, 323.
Rich and Riches, condemnation of, by Amos, 4; by Isaiah, 5; definition of, 43; in *City of the Sun*, 44; in *Paradox*, 47 n.; dishonesty and, 52; power of, 99; utopians aim to convert, 138; growing richer, Fawcett, 190; Cairns on idle rich, 226; contrasted with wealth, 258–9; struggle for, 268; gulf between rich and poor greater, 292; *See also* Increasing misery, Wealth.
Ripley, George, a Fourierist, 128–31.
Robinson and Beard, *Outline of European History*, quoted, 222.
Robson, William A., *The Relation of Wealth to Welfare*, 611.

Rochdale cooperatives, 221, 620–2, 634, 647.
Rodbertus, Karl Johann, 285, 669.
Rodzianko, 455.
Rogers, Thorold, on land reform, 223.
Rorty, M. C., 675 n.
Roscher, *Geschichte der National-Oekonomie in Deutschland,* cited, 27.
Rousseau, Jean Jacques, criticism of, 54, 95.
Royalties, 587.
Rubinow, I. M., 321, *Was Marx Wrong,* 323–4; on increasing misery, 334.
Ruling class, guardians in Plato's *The Republic,* 13; education of, 14, 15; men of science, Saint-Simon, 65, Weitling, 133, 134; appeal to for reforms, 134; 608; *See also* Dictatorship, capitalist.
Rumania, 519, 560–1, 570, 576.
Ruskin, John, *Unto these Last, Crown of Wild Olives, Ethics of the Dust,* 122 n.; 226, 244, 254, 397, 400, 665.
Russell, Bertrand, *Proposed Roads to Freedom,* 355 n., opposed to violence, 523–9; on dictatorship, 539–41; *Bolshevism in Theory and Tactics,* 524–9; *Prospects of Industrial Civilization,* 613 n.
Russia, to the bolshevik revolution, 441–465; tactics of communists in, 468–91; under the soviets, 493–521; criticism of Russian communists, 523–48; reference to, 553, 561, 564, 568, 573, 575, 576, 577; cooperation in, 632, 646; *See also* Communism (Russian), Soviets.

Sabotage, 365, 370, 371, 387–9, 611–2.
Sachs, A. J., *Basic Principles of Scientific Socialism,* 323.
Sainte-Beuve, *P. J. Proudhon, Sa Vie et Sa Correspondence,* 80 n., 81.
Saint-Simon, Comte Henri de, life, works and teaching, 61 ff.; *New Christianity,* 65; followers of, 67; schism, 68; 86, 96, 140, 240, 349.
Salaried workers, 328.
Salas, Jose, 574.
Salvemini, Gaetano, 567.
Sand, George, 122 n.
Savings-returns, 647; *See also* dividends in cooperatives.
Savonarola, spiritual leadership of, 8, 9; cited, 45.
Schaeffle, 669.
Scheidemann, Philip, 530, 554.
Schmoller, Gustav, 669–70, 681.
Schulze-Delitzsch, 279, 283, 284, 287, 637–8.
Schweitzer, 286, 287, 280.
Science, men of, 592; participation in control, 591; *See also* Technicians, Managers, Intellectuals.
Scientific Research, 39 ff., 552, 581.
Scott, Sir Walter, on suffrage, 104.
Scottish cooperative wholesale, 627.
Second international, bolshevik criticism of, 472–3, 518–9, 562; *See also* International.
Secret societies, 350.
Seitz, Dr., 560.
Seilhac, *Le Monde Socialiste,* 359.
Selden, John, 48.
Self-government, in industry, 315, 401, 590.
Self-governing workshop, 646–7; 658–60; *See* Producers' cooperation, Cooperative movement.
Seligman, E. R. A., *Economic Interpretation of History,* 199 n.; 201, 210; *Owen and the Christian Socialists,* 652 n., 653 n., 656, 658, 662.
Seneca, on communism, 21, 23.
Serfs emancipated, in Russia, 439.
Service according to capacity, 77; 584; production for, 682; *See also* Incentives, Motives, Profit motive.
Servile state, 397.

Shackelton, David, M.P., 395.
Shakespeare, quoted, 25.
Shaw, George Bernard, joins Fabians, life, 236; *Impossibilities of Anarchism*, 236, 355 n.; *Socialism for Millionaires, The Common Sense of Socialism*, etc., 236, 237–8; elaborated economic theory, 253–62; representing Fabians, 394; reference to, 679.
Shelley, Percy B., poem, 101; *Queen Mab, Poems of the Times* and *Prometheus Unbound*, 105.
Shian Shi Kai, 576.
Shop committees, 418.
Shop committees, 602; *See also* Workers' control, Self-governing workshops.
Shop steward movement, 602.
Sickness, insurance against, 568.
Singer, 291.
Single tax. *See* Land reform.
Single taxers, forerunners of, 92–4, 260 ff.
Sismondi, theory of value, 204.
Sisyphus, likened laboring class to, 128.
Six-hour day, in *Utopia*, 31; *See also* Hours of labor.
Slavery, defined by Greeley, 127.
Slum proletariat, ineffective, 168; *See also* proletariat.
Small industry, under socialism, 342, 582; under proletarian dictatorship, 487; in Russia, 497, 499, 500; *See also* Collectivism, Socialization.
Smith, Adam, *Wealth of Nations*, cited, 89, 91, 206.
Smith, George Adam, *Book of the Twelve*, 4 n.
Snowden, Philip, 432, 552.
Social contract theory, of Hobbes, 47.
Social inferiority complex, *See* Inferiority complex.
Social insurance, advocated by German socialists, 294; 555; in Czecho-Slovakia, 568; *See also* Insurance, Old Age pensions.
Social legislation, 600; *See also* Labor legislation, Factory legislation.
Social myth, general strike, a, 379–80.
Social Parliament, 581, 587.
Social patriotism, 468.
Social prophets, 3–10.
Social psychology, 682.
Social reforms, significance of, by Marx, 186; Engels on, 218; 244–7; democracy and, 229, 240; *See also* Reforms, Revisionism, Parliamentary democracy.
Social revolutionists, 445, 449, 453; *See also* Revolution.
Social Revolutionary party, 443.
Social Workshop, of Blanc, 76, 77; *See also* National workshop; Self-governing workshop.
Social Democratic Federation, 231–3, 393.
Social Democratic Labor party, in Russia, 443, 458, 461; in Denmark, 562; in Norway, 563; in Holland, 564.
Social Democratic party in Germany, 254, 278–94, 554–60; in Hungary, 560; in Sweden, 563; Switzerland, 565; in Spain, 569; in Rumania, 570; in America, 571; Canada, 572; Summary, 576.
Social Democratic Workingmen's party, 287, 289; *See also* Social Democratic party.
Social democrats, 453; *See also* Social Democratic party, Social Democratic Labor party.
Socialism, utopian and its precursors, 3–146; Chamberlen, 52; Marxian socialism, 149–210; Mill on, 224–5; Fabian socialism, 229–76; of Ferdinand Lassalle and social democracy, 278–94; of revisionists, 295–347; of French labor, 352–60, 382–3; syndicalism and, 385–91; of guildsmen, 393–436; of Russian socialists and communists, 441–548; of post-war socialists, 580–614;

cooperation and, 642–6, Christian, 651–69; Professorial and state, 669–75; summary of schools, 678–81.
Socialism of the chair, 669–71; *See also* Professorial socialists, State socialists.
Socialist Labor party, in United States, 571–2.
Socialist League, 233; in Japan, 575.
Socialist Reformist party, 566.
Socialist movement, *See* Socialism; Socialist party, Social Democratic party; Social Democratic Labor party, under various countries.
Socialist party, Fabians and, 278; French, 353–60, 382–3, 553; Finnish, 564; Italian, 565; Polish, 567–8; American, 570–1; 674; *See also* Social Democratic party, etc.
Socialist society, utopian pictures, 54–145; Fabian forecast of, 265–70; Kautsky's picture of, 336–45; guildsmen on, 402–16; communists on, 488–91; Webb's picture, 580–3; MacDonald on, 583; Laski on, 583–88; Kautsky on, 583–92; Tawney on, 609–10; Thomas on, 612–3; *See also* Freedom, Incentive, Democracy, Agriculture, Small industry, Intellectual production, Cooperation, Remuneration, Administration, Control.
Socialist press, 333.
Socialist state, *See* Socialist society.
Socialization, in process, 191; Fabians on, 244–7; Bernstein on, 311; under socialism, 336, 340; bolsheviks urge, 463; communist methods, 486–8, 493, 496–509; German socialists, 554–9; in Austria, 560; in Hungary, 561; post war plans, 580–99; *See also* Socialism; Nationalization, Collectivism.
Society for the Liberation of Labor, Russian, 442.
Society for Social Economy, 359.
Socrates, teacher of Plato, 11, 16.
Solidarity, 604–5.
Solidarity, feeling of, 602.
Sombart, Werner, *Socialism and the Socialist Movement*, 134 n., 137 n., 138, 321.
Sorel, Georges, 378–9; *Reflexions sur la Violence*, 378, 380.
Sorge, friend of Engels, 196.
Sorokin, Pitirim, *Sociology of Revolution*, 600.
Soule, George, 610.
South Africa, 577.
South America, socialism in, 573–5.
Southeran, Charles, *Horace Greeley and other Pioneers of American Socialism*, 126 n., 128 n.
Southey, Robert, 97, 98; predict revolution, 102.
Soviets, 421; of workers and soldiers, 452; soviets, appear, 447–8; All-Russian Congress of, 463; all power to, 464–5; rise of, 456; advantages of, over bourgeois democracy, 471–2; chief feature of, 486; union, 493; and parliament, 541–5; Hungarian, 560–2; *See also* Parliamentary democracy.
Sovict of technicians, 612.
Spain, 356, 384, 569.
Spartacus, 558.
Spartacus group, 555–6.
Spaulding, Bishop, 667.
Speculation, 307–8.
Spence, Thomas, agrarian reformer, 92, 93 n., 95, 104, 232.
Spencer, Herbert, 240, 243, 244, 248.
Spiritual value of democracy, 580–1; *See also* Democracy.
Stalin, *The Theory and Practice of Leninism*, 473, 479, 480–2, 491.
Standard of living, determines value of labor, 209.
State capitalism, 499–500, 674; *See also* State socialism.
State, Proudhon on, 83–4; Godwin on, 95; national becoming

too narrow, 170; instrument of class rule, 372; disappearance of, 375, 488–90; syndicalists on, 372 ff.; state sovereignty, 398; guild socialist on, 401, 409–17; Russians and, 474, 482–3; 488–90; Laski on, 587–8; and worker, 669 ff.; *See also* Socialization.
State ownership, 244–5, 391, 646; *See also* State socialism, State capitalism, Collectivism, Government ownership.
State Planning Commission, 502–3.
State socialism, 244–6, 290–1, 391, 397, 434, 642–5; 669–75. *See* State capitalism, State ownership, Collectivism.
State sovereignty, 398, 410 ff., 587–8.
Static vs. dynamic society, 141; utopians regarded as, 240; *See also* Utopian socialists.
Statistics, as solution of social questions, 84.
St. Augustine's *City of God*, cited, 8, 20.
Stauning, Premier of Denmark, 562.
Stedman, Seymour, 571.
Stephens, Leslie, *The English Utilitarians*, 98.
Stöcker, 663–4.
Stockholder, functionless, 250; *See also* Capitalist.
Stoic philosophy, influence of, 21, and utopian socialism, 136.
Storey, 131.
St. Paul, motto of, 494.
Strikes, illegality of, 220; educative power of, 370–1; 1910 railroad strike in France, 383–4; and state socialism, 397; under guild socialism, 409–10; in Russia, 443; political mass, 541, 662; *See also* General strike; direct action.
Stroebel, *Socialization in Theory and Practice*, 557 n., 558 n., 592 n., 595, 598 n.
Strong, Josiah, 666.
Stubbs, Bishop, 664.
Suffrage, fight for, 102–4; in France, 175, 177; Engels on value of to workers, 182, 183; extension of in England, 221–2; Mill on effect on private property of, 225; urged by Social Democratic Federation, 232, 242; demanded by Lassalle, 285; of social democracy, 293, 312–3; alternative to violent revolution, 313, 332; under socialism, 336; rely on, 367; inadequacy of, 376, 387; bill, Great Britain, 396; in Russia, 446, 449–50; granted by Provisional government, 455; limitations of, 474–5; under soviets, 494; German, 555; in Switzerland, 565; *See also* Franchise, Parliamentary democracy.
Sun Yat Sen, Dr., 576.
Supply and demand, and wages, 209.
Suppression, in Europe, 177–8; in Russia, 442, 445, 447, 449, 450, 485, 513–20; in America, 572; in Germany, 289–90, 556–7; in France, 348–9, in Japan, 575; *See also* Repression, Civil Liberties, Freedom of Speech.
Supreme Council of the Allies, 561.
Supreme Economic Council, Russia, 495.
Surplus goods, being absorbed, 303–4.
Surplus value, theory of, 189, 206–8, 259 n.; criticism of, De Man, 600; belongs to community, Laski, 584; *See also* Value; Labor theory of value.
Sweated industries, 657–8.
Sweden, socialism in, 562–3, 576.
Switzerland, 176, 442, 458, 519, 565.
Symbolism, socialism and, 606.
Syme, David, 223.
Syndicalism, advocated by British workers, 1833, 119–20; in France, 348–92; influence on guildsmen, 397; MacDonald

on, 424–5; in Italy, 565; Laski on, 584; danger of control, 591; cooperation and, 646; reference to, 674, 680, 682.
Syndicalist society, structure of, 374 ff.; socialist criticism of, 390–1.
Syndicates in Russia, 502 ff.; fascisti, 567; in Economic Scheme, 592.
Syndicats, 351; the germ of syndicalist society, 369–70; *See also* Syndicalism.

Tacitus, 21.
Taff Vale decision, 395.
Tantalus, laboring class likened to, 127.
Tawney, *Agrarian Problem*, cited, 25; *The Acquisitive Society*, 399, 609–10.
Taxation, system of, proposed by Cabet, 60; inheritance an income, 171, 293; under guild socialism, 410; under soviets, 498; to socialize industry, 582, 589; *See also* Inheritance, Compensation, Expropriation.
Taylor, Helen, 233, 394.
Tchcheidze, 450.
Technicians, coercion difficult, 533–4; income of, 582, 590; appointment of, 598; in socialized industry, 599 n.; captains of finance and, 611–2; *See also* Managers.
Ten hour day, law, praised by Marx, 186, 220; *See also*, Hours.
Terrorism, 180, 442, 453, 533; *See also* Nihilism, Violence, Peaceful change.
Thaelmann, 559.
The Appeal to Reason, 571.
The Coming Nation, 571.
Thelwall, John, 101, 102.
Third International, 519–20, 525, 546, 553; *See also* International.
Thomas, A., *Le Second Empire*, cited, 351 n.
Thomas, E., *Histoire des Ateliers Nationaux*, 80 n.
Thomas, Emile, 79.
Thomas, James, 552.
Thomas, Norman, 612, *What Is Industrial Democracy, Challenge of War*, 613 n.
Thoreau, Henry D., 129.
Times, N. Y., 124.
Tokoi, 564.
Tolland, John, *The Oceana*, etc., cited, 51.
Tolstoi, Count Leo, 443, 450.
Tomsky, L., 512.
Tortelier, 361.
Trades Disputes Act, 395–6.
Trades disputes, in cooperative organizations, 646–9.
Trade unions, and cooperatives, 118, 648–50; result of class struggle, 166; effect on wages, 218; development of British, 220; importance, 271–2; effect on revolution, 298; in France, 348–72; Barbaret on, 352; compromise and, 382; industrial, 417–8; commerce and, under soviets, 503–4; unions, in Russia, 510–12; in Denmark, 562; DeMan on, 600.
Transcendental Club, originator of Brook Farm, 129.
Transition, to socialism, Fabian view, 229; under soviets, 499; period of, 590; *See also* Gradualness, Peaceful change, *Coup d'état*, Revolution, Reform.
Transportation, 171, 581.
Trepoff, General, 442.
Trevelyan, Sir Charles, *Age of Wycliffe*, cited, 24; in cabinet, 552.
Tribune, N. Y., edited by Greeley, 124 ff., 128; written for by Marx, 157, 183, 184.
Tribune of the People, of Babeuf, 56.
Tripoli War, 566.
Troelstra, Peter J., 564.
Trotsky, Leon, 448; life of, 459–62; *Lenin*, 459 n.; *Our Revolution*, 460–1 n., 480; *Dictatorship vs. Democracy*, 476, 478, 491; 468; *Whither Russia*, 507–9; on trade unions, 511;

Angell on, 534; subordinated, 548.
Trusts, development of, 251; bring serfdom, 308; state trusts in Russia, 501; *See also* Monopoly, Syndicate.
Tucker, Benj., R., *Individual Liberty*, 355–6.
Tugan-Baranowsky, 321.
Turati, Philipo, 565.
Turgeniev, Russian novelist, 443.
Tyler, Wat, 98.

Udenich, 496.
Ulianov, Vladimir Ilyich, name of Nicholai Lenin.
Underconsumption, 113, 305.
Unearned increment, *See* Land, Rent.
Unemployment, 108, 113, 189, 272, 336, 396, 612, 630.
Uniformity, against, 315; *See also* Socialist society; Variety.
Unilateral parliament, 587; *See also* Parliamentary democracy.
Union of Russian Workingmen, 445.
Union Socialiste in France, 367.
Union of Struggle for the Liberation of the Working class, 443.
United Mine Workers, 599 n.
United States, utopian socialists in, 123–135; First International moved to, 193; socialism in, 570–3; cooperation in, 635–7.
Universal suffrage, *See* Suffrage.
Universal Workingmen's Association, founded by Lassalle, 284.
Ure, Alexander, 112.
Uruguay, socialists in, 574.
Utopian socialism, and socialism and their precursors, 3–145; Marx's criticism of, 155, 172; Graham Wallas on, 265; syndicalists and, 349; 678–9.
Utopias, 4–10; *See also* utopian socialism.
Value, Ricardian theory, 100, 101; Marxian theory, 187, 203–10; exchange value, examined by Shaw, 257; Bernstein's criticism, 300–2; Croce's criticism of, 319–20; 322–5; *See also* Labor Theory of Value.
Vandervelde, Emile, 563, 629.
van Zurik-Zee, Peter Cornelius, pamphlet, 52 n.
Variety under socialism, 342–3; in social industry, 582; *See also* Uniformity.
Vaughan, David James, *The Republic of Plato*, cited and quoted, 12–18.
Veblen, Thorstein, *The Engineer and the Price System*, 608, 612; *The Theory of Business Enterprise, Instincts of Workmanship, Absentee Ownership*, 612.
Vedder, Henry C., *Socialism and the Ethics of Business*, 663.
Vespucci, Amerigo, in More's Utopia, 28 ff.
Viborg Memorial, 449.
Victoria, socialism in, 574.
Vienna cooperative society, 633.
Violence, against, 65; taboo by utopian socialists, 138; Engels believes less effective, 182, 183; suffrage on alternative, 313, 316; Kautsky against, 331–2; Sorel on, 380; revolution to, of communists, 473–4; 476-8; opposed by Russell, Hillquit, Angell, 523–36. *See also* Peaceful change.
Virgil, poem of reign of nature, 21.
Viviani, 359, 385.
Vladimir, Grand Duke, 446.
Vollmar, George von, 295.
Voltaire, criticisms of, 54.
Voluntary cooperation, *See* Cooperation.
Von Plehve, Russian premier, 443, 445.
Voorhuit, of Ghent, 630.

Wages, Ricardian theory of, 101; Marx on, 209–10; of superintendence, 249–50; Fabians on, 257–8; Kautsky on, 333; under

guild socialism, 408; under socialized industry, 596, 599 n.; in cooperative movement, 50, 646.
Wage system, guildsmen on, 397, 401; *See also* Capitalism.
Wagner, Adolph, 669, 676, 681.
Waldeck-Rousseau government, 365, 367–8.
Wallace, Alfred Russel, 223–4.
Wallace, Robert, *Various Aspects*, 89–90, 96.
Wallas, Graham, 237, 239; on socialist society, 265–9; *Human Nature and Politics; The Great Society*, 599; 611.
Walsingham, ' *Gesta Abbatum*, cited, 23.
War, economic causes of, 99; must be eliminated, 64; World, 496; imperialist, 469, 519; sign of childhood, 535.
Warbasse, James P., *Cooperative Democracy*, 619, 622 n., 629, 632–3; 638, 640, 642.
Ward, Harry F., on political prisoners, in Russia, 514–16; *The Profit Motive*, 612, 667.
Wastes, of capitalism, 250, 606–8, 682.
Watt, 242.
Wauters, Charles, 563.
Wealth, abundance needed, Owen, 110; contrasted with riches, 258–9; surplus for common good, 552; Laski on, 584; *See also* Rich and Riches.
Wealth and welfare, 611.
Webb, Beatrice Potter, life, *My Apprenticeship, Cooperative Movement in Great Britain*, 237 n.; 311, 312; *See also* Webbs.
Webb, Sidney, socialism of, 230; life, 236–7; on historic basis of socialism, 239 ff, 253, 260; latter day Fabianism, 271–6; Bernstein on, 312; in cabinet, 552; on state ownership, 672; in summary, 679; *See also* Webbs.
Webbs, Sidney and Beatrice, *History of Trade Unionism, Industrial Democracy, English Local Government*, 236–8; *The Decay of Capitalist Civilization*, 608 n., 612; *Consumers' Cooperative Movement*, 628–9, 642, 645–9; *A Constitution of a Socialist Commonwealth of Great Britain*, 433, 580, 581, 587.
Weeks, Rufus, W., 666.
Weitling, Wilhelm, life and teaching, 133 ff.
Welfare, and wealth, 611.
Wellington, government of, 656.
Wells, H. G., *A Modern Utopia*, difference between early and later utopias, 141, 143; life, writings, *This Misery of Boots, New World for Old*, etc., 144, 145; 235; 237; 675 n.
Welsh Disestablishment bill, 396.
West Indian islands, sale of, 562.
West, Julius, *John Stuart Mill*, 226.
Westphalen, L. von, adviser of Marx, 150.
Whately, Archbishop, 657.
White Guard, Hungary, 561, 564; *See also* Russia, Finland.
White slavery, 243.
Whittier, William G., 131.
Wilbrandt, Robert, 556 n.
Will of the People, The, Russian revolutionary group, 442.
Williams, A. R., *Lenin, the Man and his Works*, 459 n.
Windischgrätz, General, crushing 1848 revolt, 177.
Winstanley, Gerrard, leader of Diggers, 49, 50.
Wissell and Striemer, *Ohne Planwirtschaft*, 592; *Kritik und Auflau*, 592 n. 595 n.
Withering away of state, 488–90; *See also* State.
Witte, Count, 443, 447.
Wolff, Wilhelm, leaves legacy to Marx, 185.
Women, position of, in Plato's *Republic*, 17; in *Icaria*, 60; equality, by Saint-Simon, 67;

status of, under capitalism, 170, 243, 293; status of, in Russia, 517.
Women, suffrage, 235; German, 555; *See also* Suffrage.
Wordsworth, *Excursion*, 91, 97.
Workers' party, U. S., 572; in Porto Rico, 574.
Workers and Soldiers' Councils, 554, 557 n., 560; *See also* Russian and German revolution.
Workers' control, communists and, 463; period of in Russia, 496; Webb on, 582; Germans on, 557, 594; Laski on, 585; Kautsky on, 591; Austrians on, 597; in mines, 599 n.; *See also* Control, Administration.
Working class, Marx on, 165–73; *See also* Proletariat, Labor.
Workingmen's association, legislation to dissolve, 279.
Workingmen's College of Christian socialists, 662.
World revolution, 517–18; *See also* Revolution.
World War, 396; effect on Russia, 451 ff.; cited on 550, 554, 581, 572.
Woolf, L. S., *Cooperation and the Future of Industry*, 642, 645.
Wrangle, 496.
Wycliffe, John, 23–4.

Yucatan, socialism in, 573.
Yvetot, George and Niel, 378.

Zasulich, Vera, 442.
Zemstvos, Congress of, 445, 447.
Zetkin, Clara, 554.
Zimand, Savel, *State Capitalism in Russia*, 496, 501 n., 503.
Zimmerwald Conference, 459, 519.
Zinoviev, 468, 473 n., 548, 553.

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